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REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Unrest Grows Among Northern Troops as Generals Plot with Japanese

ARTICLES IN THIS ISSUE

Real Cause of Student Unrest Throughout China
Northern Twenty-Ninth Army Becomes Restless as Gen. Sung Intrigues with Japanese
Treacherous Satan Entered "Paradise," and Taught Dishonesty to Japanese Officials
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(By the Review's Harbin Correspondent)

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(By the Review's Foochow Correspondent)

Province of Fukien Is Menaced by Japan . . By C. Y. W. Meng
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SATURDAY, MAY 30, 1936 VOLUME 76, NUMBER 13

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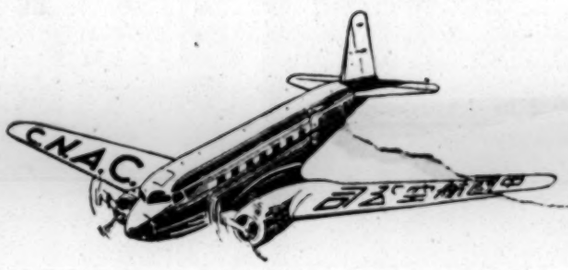

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA, TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

REAL CAUSE OF STUDENT UNREST THROUGHOUT CHINA

THE Ministry of Education according to a *Kuomin* report from Nanking on May 24, stated that Chinese students graduated from colleges and universities in 1934-1935 numbered 18,278. The report stated that the officials of the Ministry were seriously concerned because of the fact that large numbers of these students have been unable to find employment. Classified according to groups the graduates of law schools, numbering 6,170, constituted practically a third of the total and greatly outnumbered the graduates of other courses. As law was never regarded as an "easy" course one wonders why more students selected it than those, for example, who selected engineering, the number graduating from engineering courses being 2,171. The answer apparently exists in the fact that law has always provided a direct route to official position—in China as well as other countries. Medicine, with 697 graduates and Agriculture with 809 were less popular course, being below Business, with 1,317 and Education, with a total of 1,866.

However, of greatest significance, was the fact that large numbers of these young men and women with modern educations and ready for a start in life, have been unable to obtain jobs. The exact number unable to find employment is not known, but an estimate published in *Central News* mentioned 9,622 in the jobless category, slightly more than half the number of college and university graduates for the two years.

Unemployment among college graduates is a problem not peculiar to China, but of all countries offering opportunities for specially trained young men and women, China should take front rank. With thousands of miles of railways and highways to be built and industrialization only starting, China should have work for all of her graduates and many more.

But there is a special reason for pessimism which is not concerned with any economic depres-

sion. It is due entirely to Japanese aggression. The Manchurian provinces, being entirely undeveloped, previously attracted hundreds of technically trained young men from the educational institutions south of the Great Wall. But the Japanese have monopolized all of these jobs now and worse, have driven all of the Chinese technical men out of the territory and filled the positions with graduates of Japanese schools. And to make sure there will be no fresh supplies of Chinese graduates the Japanese have closed all Chinese higher schools which previously existed in the Manchurian provinces. Students previously enrolled in these schools, particularly the large Northeastern University at Mukden, have been scattered to the far winds, some studying in Peiping schools, others at Shanghai, Canton and other places. A recent report contained the pathetic information that a large number of students from the Manchurian provinces who had been studying in Peiping schools, were again forced to move, this time to Sian, capital of Shensi in the far interior.

If the Japanese are permitted to carry out their program of monopolization of the resources of North China the future outlook for the college graduate will be further circumscribed. Almost every day there is a report of some cotton mill or coal mine or railway concession or other industrial enterprise passing to Japanese control. The Japanese are planning to build a half-dozen new railways in North China, but there will be no jobs on these lines for Chinese technical graduates. The white-collar men, engineers and what not, will all be Japanese as they are in the Manchurian provinces. The only Chinese which the Japanese will require on these jobs will be coolie laborers and the more ignorant they are the better they will serve Japanese purposes.

Speaking frankly there will be no place in a Japanese-controlled China for Chinese college or university graduates. Japan will annihilate Chinese industrial development, or at least any portion which might compete with Japan. The remainder Japan will manage herself. Edgar Snow writing in the *Saturday Evening Post* (May 9) said that Japan aspires to control all Chinese raw materials for export to Japan, and to preserve the Chinese hinterland as a purely agrarian market for the goods which Japan will manufacture from Chinese materials. Japan's program constitutes an adventure as ambitious as Genghis Khan's scheme to turn all China back into pasture for Mongolian cattle grazing.

Northern Twenty-Ninth Army Becomes Restless as Gen. Sung Intrigues with Japanese

(Editorial Correspondence from Tientsin)

THE recent discharge of General Shih Ching-ting as Chief Councillor of the Hopei-Chahar Political Council by General Sung Cheh-yuan is having some serious repercussions in Chinese political and military circles in view of the fact that General Shih has a wide following among the younger officers of the 29th Army.

Both Shih and Sung are former subordinates of General Feng Yu-hsiang, who now occupies the post of Vice Chairman of the Military Affairs Committee. Both had been working actively and harmoniously together in the affairs of the Hopei-Chahar Political Council and Gen. Shih's political talents were gven wide scope for play during that time.

Recently, Gen. Shih paid a visit to Nanking, reportedly on the invitation of the old "Christian General" who picked Shih out of oblivion and made him Chief-of-Staff of the Kuominchun. Feng Yu-hsiang made it plain that he does not intend to hide his anti-Japanese feelings when he talked with Edgar Snow of the *London Daily Herald* and *New York Sun* and other correspondents. This was perfectly plain despite the fact the Japanese Military Attache's office in Shanghai raised such a row about the interview that the Nanking Foreign Office issued a "denial" that Feng had made the statements attributed to him in the London and New York papers.

Following his conversations with his old chief, General Shih returned to Peiping and resumed his duties again in the Council, frequently, however, making many trips into the field where he had the opportunity of talking to the younger officers of the 29th Army. Soon the matter came to the attention of General Sung who did a little investigating into his lieutenant's activities. In fact, his findings were of such a nature that Gen. Shih was immediately dismissed from the Council and stripped of all his other posts. No formal statement was ever made to the press or the public.

Chang Chih-chung, Chairman of Chahar province, who is an intimate friend of Gen. Shih, heard about the dismissal and made a special trip to Peiping to urge Gen. Sung to reinstate the official. However, when he heard of Shih's activities in the 29th Army, he withdrew his request immediately.

Major M. Nakai, Staff Officer of the Japanese Military Headquarters in Tientsin, told the press that Nanking had provided General Shih with $50,000 to distribute among the younger officers of the 29th Army where he saw fit. However, this is a typical Japanese reaction to such a situation.

As a result of this incident, General Sung's confidence in his own 29th Army has been con-

siderably shaken. Just how far they will go with Sung in swinging over to the Japanese, even Sung does not know. General Shih had the opportunity to do some first class proselyting among those younger officers he had contacted. Shih's influence was so strong at one time that reports were circulated to the effect that some sections of the 29th Army had revolted, issued a pronunciamento declaring they would never fight Japan's battles against China in North China or elsewhere. Where there is smoke there is fire. The revolt never took place but there have been some wholesale changes in the officer personnel of the 29th Army during the past few weeks.

General Feng allegedly has sent his agents out into a great many of the private armies on similar missions to that undertaken by General Shih and who knows the extent of Feng's influence among the military cliques in China today. Despite his checkered past, there is every indication that many new followers are rallying around his battle flag. The Japanese claim that this influence has spread so rapidly that it is even causing concern in high places at Nanking. This propaganda was doubtless intended to create dissension between Chiang and Feng, as also was the report in the South China papers last week alleging that Major-General Seiichi Kita, Japanese Military Attache at Shanghai was so infuriated at the Feng interview urging armed resistance to Japan that he (Kita) wired Nanking demanding Feng's dismissal from office.

⁂

The new Japanese Commander in North China, Lieutenant General Kanichiro Tashiro was a former "adviser" to General Feng in the heyday of the Kuominchun but there is nothing of a blood brotherhood between them. Tashiro often entertains his guests with funny stories about Feng in the field and the stories always show Feng up as an ignoramus.

It is impossible to say what kind of a man Tashiro will turn out to be. First appearances are often deceptive. It is recalled that when General H. Tada first came to Tientsin a year ago one of his first remarks was that many of the incidents which had been causing trouble between the Chinese and Japanese in North China had been exaggerated and were of comparatively minor importance. He stated that much of the trouble was due to Japanese ronin and that he intended to have the ronin cleared out.

From this many assumed that Tada would try to make peace and bring a peaceful, soothing influence upon the aggravated North China situation. However, it was not long before he was trying to outdo the pace of his predecessor Lt. General Y. Umezu.

⁂

However, Tada left North China a disappointed man. Much of the "credit" for what had been accomplished during the past year went to Major General Kenji Doihara, who had come down from Mukden to "advise" the North China generals. Nor did Tada have his name perpetuated on any such agreement as the Ho-Umetzu Agreement, which will give glory to the name of Umetzu in Japanese military circles for a long time to come, standing on a par with the Tangku Treaty as the excuse for the further Japanese raping of North China. The "Tada Statement" issued last September was only of passing fame.

There is a report that Tada and Sung Cheh-yuan signed an agreement which permits the stationing of Japanese troops in garrisons along the Peiping-Hankow, Line, in southern Hopei and elsewhere, but the agreement is secret, if there is any such agreement at all.

The new commander will not have any Doihara to interfere in North China affairs and can operate the Japanese military machine much as he sees fit. Major General Takayoshi Matsumuro, Peiping Resident Officer of the Japanese Forces in North China, who takes over Doihara's job, is directly under the orders of Lieut. Gen. Tashiro and of course will not be permitted to acquire for himself too much glory.

General Sung Cheh-yuan and Mayor Hsiao Chen-ying undoubtedly feel nervous about the whole North China situation, as well they might be. They would be content to let political affairs run along just as they are at present but they know this is too good to hope for, and they wonder when the Japanese will again become active.

Since he assumed office, Mayor Hsiao has been the recipient of no less than three bombs, all of which have been intercepted and the packages opened without the missiles exploding.

⁂

The negotiations between the Hopei-Chahar Political Council and the Japanese military authorities were suspended for about ten days or two weeks pending the arrival of Lieut-General Tashiro but it is expected they will be resumed soon. The "Big Three" on the Chinese side are General Sung Chen-yuan, Mayor Hsiao Chen-ying and Mr. Chen Chueh-sheng, Managing Director of the Peiping Railway, a member of the Council, who concerns himself mostly with political affairs rather than railway administration,

Many questions are involved in these negotiations, chiefly, abolition of the East Hopei Anti-Communist Autonomous Government for which the Council is pressing, and a Japan-Manchoukuo-North China alliance against the Reds or any other invaders (which is taken also to include the Central Government troops from south of the Yellow River), for which the Japanese are pressing. It seems certain that if the East Hopei Autonomous Government is merged with the Hopei-Chahar Council, the latter will take on the form and complexion of the former and will require a good deal of open flouting of Nanking by the Council. The negotiations have been held in the utmost secrecy, of course, and any so-called "inside information" which reaches the press is based almost entirely on hearsay.

When the present Japanese military movement is completed, all the new reinforcements have arrived and the new officers have had time to acclimate themselves to North China, we may expect further developments of paramount importance.

⁂

Japan's intention to still further increase her military forces in North China was indicated on May 25 when the commander of the Japanese troops "requested" the use of the large Chinese barracks located at Nanyuan, about five miles outside the South Gate of the city of Peiping. These barracks, largest in North China, have accommodation for some 12,000 troops. They are at present occupied by Gen. Sung Cheh-yuan's soldiers, hence the Japanese demand for the use of the barracks amounts to an order to the Chairman of the Hopei-Chahar Political Council to evacuate. In a sense this latest development confirms a report current in Peiping

for some time that the Japanese have given Gen. Sung an ultimatum to either comply with Japanese orders and cut loose from Nanking or get out of North China. The Japanese demand for the use of the Nanyuan barracks has created apprehension in another quarter due to the location of the barracks alongside the airdrome used by the China National Aviation Corporation, affiliate of Pan-American Airways. The Nanking authorities have frequently protested the Japanese use, without authorization, of the airfield by their military planes, but without results as the Japanese continue to use the airfield. That the Chinese authorities will accede to the Japanese request for the use of the Nanyuan barracks is likely, despite the fact it will cause Gen. Sung considerable trouble to find other quarters for his troops. However, Gen. Sung's days in the North appear to be numbered anyway, unless he is willing to turn his troops over to the Japanese to be used as a spearhead against the reds—or possibly against the "Young General," Chang Hsueh-liang in Shansi—or possibly against the forces of the National Government now concentrated in Shansi. One of the Chinese papers reported that Gen. Sung has already been ordered by the Japanese to withdraw his troops to Tsinan, capital of Shantung.

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The increase in Japanese troops in North China has been accompanied by the usual influx of nondescript Japanese and Koreans who are opening dance and beer halls all over Peiping and worse, are beginning to occupy private Chinese dwellings without the formality of obtaining the landlord's consent. The practice of forcibly occupying private Chinese homes is an "old Japanese custom" inaugurated originally in Mukden following the occupation of that city by the Kwantung army. There the Chinese owners had no recourse and were compelled to provide accommodation at low cost or no charge at all and in innumerable cases the owners of the property were compelled to move out entirely, leaving the interlopers in possession. And, if the proprietor made too much of a row about the forcible occupation of his property, it was not unusual for the Japanese to produce fake title deeds. There were rumors in circulation in Peiping last fall that the Japanese military authorities would force a restoration of all Manchu property in the Peiping area. According to a report in the *Shun Pao* last week there are now some 13,000 Japanese residing in Peiping and Tientsin, but the number is rapidly increasing due to the influx from both Manchukuo and Japan proper. Tourists report that the Peiping-Mukden railway trains are now crowded with Japanese and Koreans. A further report in Peiping said that approximately 5,000 Japanese had flocked into Inner-Mongolia in recent months.

***

The sudden departure of Yakichiro Suma, First Secretary of Embassy and Consul-General at Nanking, for Tokyo on May 27 caused considerable speculation in Chinese and occidental circles in both Nanking and Shanghai. It was announced that Hachiro Arita, Foreign Minister, had requested Suma to return for a conference on developments which had taken place since the arrival of Japanese reinforcements in North China. But there were other reports in circulation that Suma was carrying back to Tokyo important documents pertaining not only to the smuggling situation and Japan's demand for control of the Maritime Customs Administration, but other important documents indicating China's attitude on the Hirota three-point program. It was claimed in certain circles that the increase of Japanese troops in North China had created a new situation necessitating a further reconsideration of Japanese policy, hence Tokyo had sent for Suma in order that further discussions could be held prior to the arrival of the new Japanese Ambassador Shigeru Kawagoe early next month. Kawagoe's unexpected promotion to the post of ambassador, due to the support of the Japanese army, has created complications not only in China but also in Japan. The Cantonese have raised serious objection to Kawagoe because of something which happened while he was consul-general in that city, and now, unexpectedly there are rumors that complications also have developed in the Japanese diplomatic service because Kawagoe was not eligible for an ambassadorship and that the logical man for the Nanking post was Yakichiro Suma, First Secretary of Embassy and Consul-General, who was long experienced in Nanking politics, was eligible for the post from the standpoint of rank and, had generally satisfied the military authorities in his dealings with Chinese officialdom.

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The official Soviet *Tass* news service circulated a summary of an article from *Izvestia* which analyzed Japan's latest moves in North China. It said that recent events in Japan had demonstrated that Parliament and Cabinet were unable to resist military demands for immediate action on the Continent; that the Army had obtained approval of its two important demands: An increase in Japanese troops in North China to the extent of *two* divisons; and increased appropriations from the Diet to finance the adventure. Continuing, the article in *Izvestia* said that Gen. Sung Chen-yuan, Chairman of the Hopei-Chrhar Potitical Council had capitulated to the Japanese military demands to such an extent that all North China had been put in the same position as that occupied by the East Hopei regime; that numerous Japanese advisers had been employed; that "joint cooperation" in a war on the communists was a precursor of a Japanese invasion of Shansi, Suiyuan and Shantung, all of which would be converted into Japanese domain; that China would be converted into a "conglomerate" of small regions and no longer would be regarded as a unified country; that Nanking would be regarded as merely a local entity and not as a central government. "In this manner Japanese imperialism will force Nanking into open capitulation and recognition of Hirota's three-point principles of liquidation of the last remains of Chinese independence." In conclusion the Soviet paper inquired whether this final Japanese act of subjugation will ultimately arouse all elements of the Chinese public and lead to the development of a "mighty movement for the liberation of China."

Proposed U.S. Tax Measure Would Discriminate Against China Trade Act Companies

Telegrams from Washington during the week indicated that China Trade Act corporations and foreign corporations resident in the United States are likely to be denied the tax exemption on $1,000 of income to be granted other corporations having less than $15,000 total income, under the tax bill on which the Senate Finance Committee is working at present. Senator Pat Harrison, chairman of the committee, indicated that this was the trend of discussions in committee. Among the proposals being studied by the committee is one for a flat rate of taxation of 22 per cent for resident foreign corporations operating in the United States, which are to be exempted from payment of the seven per cent super-tax.

Chinese Economic Mission Leaves for Siam

Seen off by a representative gathering of officials, bankers and civic leaders, the Chinese Economic Mission to Siam, composed of business executives and economic experts, departed from Shanghai May 26. The primary purpose of their visit to Siam, is to return the visit of the Siamese Goodwill Mission to China last year and to further strengthen the friendly relations between the two countries. The mission is headed by Dr. Lin Pin, former Minister to Cuba, and is composed of 15 members.

United States Suddenly Enforces Heavy Duties on Japanese Cotton Cloth

PRESIDENT Roosevelt on May 21 issued a proclamation increasing the tariff on importation of cotton goods into the United States by 34 percent advalorem for yarn and by 42 percent for cotton cloth. The increases will affect Japanese imports principally. The branches of the principal Japanese firms in the United States reported to Tokyo that they interpreted the President's action as having been dictated by political motives, particularly to placate the New England manufacturers, who have been protesting against the influx of Nipponese textiles. Telegrams from Japan stated that traders there were incensed at the suddenness of the action in view of the fact that negotiations had been proceeding between the Tokyo and Washington governments for the restriction of Japanese cotton cloth exports to the United States to about the same quantity as last year, namely about fifty million square yards. Japanese telegrams mentioned that negotiations for an agreement were conducted promptly, but it is evident that the President was tired of dilly-dallying and decided to issue his Proclamation without further ado.

One of the immediate effects in Japan was that the Guild of Cotton Textile Exporters to the United States in Osaka on May 23 decided to remove its self-imposed restrictions on the exports of bleached cotton cloth to America. Meanwhile, reports from Tokyo indicated the growth of a movement among cotton textile manufacturers to invoke the provisions of the Trade Safeguarding Law against the imports of American goods. The Osaka stock exchange immediately witnessed a wave of buying, with the purchasers apparently intent on exporting all available cotton textiles to the United States, before the new tariff schedule goes into effect on June 20.

The outstanding feature of the trade between Japan and the United States is that in both instances just over half of the exports from one country to the other are in one item. In the case of U. S. exports to Japan the item is raw cotton, of which the total in 1934 was U. S. $112,496,510, out of total exports of U.S. $210,480,173. In the case of Japanese exports to the United States, the item was raw silk of which U. S. $69,846,669 was exported (figures in this paragraph all for 1934) out of a total export of U. S. $117,963,573. Outside of these main items, articles that stand out prominently in U. S. exports to Japan are: Automobiles and accessories, airplanes and wheat. Prominent among the exports from Japan to the U. S. are tea, pyrethrum (insecticide), potteries, etc.

The Japanese have a problem on their hands with Australia similar to that with the United States. Telegrams from Tokyo May 26 stated that imposition of a quota system on the imports of Australian wheat and wool, in retaliation against the increase in the Australian tariff rates on Nippon-made goods, was being considered by the Ministry of Commerce and Industry. Such action, it was stated, is permissible under the provisions of the Trade Safeguarding Law (last week extended for further three years), and would be taken in close co-operation with consumers of the staples. The Overseas Trade Department of the Osaka Chamber of Commerce and Industry is urging the Government to adopt retaliative measures immediately.

Meanwhile, reports received from Osaka shipping circles indicated that the Canberra Government is making preparations to extend aid to British vessels in their struggle with Japanese lines, should the trade feud break out. The Nipponese lines affected include the Osaka Shosen Kaisha, the Nippon Yusen Kaisha, the Kawasaki Kisen Kaisha and the Yamashita Kisen Kaisha.

At the same time as America was tightening up on trade relations with Japan, the U.S.-China Trade Week and the conclusion of the silver purchase agreement showed an intention on the part of the U.S. to work more closely with China.

The trade of China with the United States during 1934 was roughly one-third of that between the U. S. and Japan. The main item of exports from the U.S. to China is likewise cotton, the figure for 1934 having been U. S. $18,190,930. Leaf tobacco was brought to China from the U. S. to the value of U.S.$8,909,241, but since 1934 there has been a sharp decline in this trade. The principal manufactured articles coming to China from the United States are automobiles and aircraft, which amounted to about three million dollars; petroleum products accounted for another three millions. Wheat and flour exports from the U. S. to China amounted to more than five million dollars. Total exports from the U.S. to China amounted to U.S. $68,460,552. Exports for the same period from China to the United States totalled U.S.$43,247,657. Of exports from China the outstanding items are hides, furs and skins, tung (wood) oil, carpet wool and carpets, antimony, tungsten, and in an increasing degree of late (owing to shortage in the U. S. due to agricultural restrictions and natural calamities) sesame seed, cottonseed oil and peanut oil.

Salvador Bans Chinese Labor

Gen. Maximiliano H. Martinez, President of El Salvador, May 18 ratified a Congressional decree restricting the trade activities of certain Far Eastern and Near Eastern nationals, including the Chinese, Armenians, Turks, Syrians, Arabs and Egyptians. The decree did not include the Japanese. El Salvador is the only nation apart from Japan to recognize Manchukuo.

TREACHEROUS SATAN ENTERED THE "PARADISE"

(See articles on opposite page)

Treacherous Satan Entered "Paradise," and Taught Dishonesty to Japanese Officials

ONE of the announced reasons for the Japanese Kwantung Army's seizure of China's Manchurian provinces was corruption among Chinese officialdom in that territory. Chinese officials, acording to the Japanese propagandists and spokesman, were so addicted to "squeeze" that efficient and honest governmental administration was an impossibility so long as the territory was under Chinese administration. Therefore the Japanese Army was compelled to step in and rescue the Chinese people from their own corrupt officials. It therefore became necessary, in the natural course of events, for the Japanese Army to set up a new administration, a "new state" in this former Chinese domain and it was inevitable that the officials, or most of them should be Japanese, because—so said the propagandists—Japanese officials are more honest than Chinese.

So a new state, with a few puppets in the front window of course, but with reliable Japanese officials in the responsible positions was set up and the Japanese military spokesman called the new state, the "Happy Valley," or "Paradise" where corruption had been abolished and where everybody from highest to lowest followed the teachings of "Wang Tao," or the "Kingly Way," in which justice and righteousness and honesty, inspired all to a new life of service.

But something apparently has happened: a treacherous serpent with a satanic spirit, probably from south of the Great Wall, entered the Happy Valley and taught corruption to the new Japanese officials. This serpent, according to reliable report, supported by evidence, (see opposite page) apparently zigzagged its sinuous way all over the country and whispered evil things into the ears of Japanese officials everywhere, because the evidence indicated widespread corruption.

As for the actual evidence, it appears on the opposite page in the form of a composite collection of clippings from newspapers published in Manchuria, chiefly the *Ta Kung Pao* of Mukden and the *Sheng-Keng Times*, published in Changchung, capital of the New Empire. The clippings, an entire envelope-full of them, were sent to *The Review* by a resident of Changchun, with the usual instructions that his name not be published "for obvious reasons," an injunction which we have observed. Each clipping told its own sad story of corruption among Japanese officials in the New Paradise, but space was only available for reproduction of the most significant cases. A summary of the translations of a few of the clippings follows:

Kato Hatsuo, an officier of the Accounting Department of the Heilungkiang Police Headquarters at Tsitsihar has, by tampering with the accounts embezzled a total sum of $12,000, which was spent in houses of prostitution and the authorities of the gendarmerie headquarters are investigating the case. —Tsitsihar despatch published in *Ta Tung Pao* Mukden, on January 25, 1935.

Embezzlment of public funds by three officials of Kyowa Kai of Manchukuo has been definitely proved by investigations into the accounts. The three officials involved are Yamata Isamu, Yoshida Shonen, Ku Hajime.—July 24, 1935, *Ta Tung Pao.*

A Japanese official in the Finance Department of Manchukuo at Chanchun has been arrested by gendarmes for accepting bribes from merchants. He met a Japanese Geisha by the name of Chishima Korekatsu in Hsinking and spent $2,600 in redeeming her from the geisha house and making her his concubine. At first they lived at Yoshishimo Street in Hsinking, but being afraid of discovery, he sent his concubine of Mukden. On his return to Hsinking after a visit to her, he was arrested by the gendarmes. This official had only a salary of $140, but had squandered up to the time of his arrest more than $10,000.—September 9, 1935, *Ta Tung Pao.*

In connection with the case of embezzlment of over $14,000 by Yamata Isamu of Kyowa Kai, the Gendarmes Headquarters has placed several other persons concerned under arrest and has also seized many incriminating documents. Yamata Isamu met a Japanese Geisha by the name Fuhjida Shitsuko last August and spent large sums on her. In order to procure enough money to redeem her, Yamata Isamu, forged checks of more than $14,000 of which he spent $1,400 for her redemption from the brothel. —*Ta Tung Pao*, July 23, 1935.

A squad of Japanese police directed by officers Fukuwa and Otomo surrounded, the Office of the Magistrate of Fuhsing, Kirin for four hours to prevent the new Counsellor from carrying out an investigation into a case of embezzlement of funds by the former police head and his associates. The total amount of funds embezzled was estimated to be about $4,000, derived chiefly from opium-smoking licences. The larger heading in the story reads: "Such are Japanese clique officials! An unheard-of affair since the inauguration of the State!"—published in the *Sheng King Times*, December 13, 1934.

Another Japanese Counsellor embezzled funds and was detained by the Hsinking Japanese Consulate. Nagaai Kenji, Japanese Counsellor of Teh Hui District, Kirin had within a period of less than four months embezzled nearly $9,000. Upon discovery he was arrested at Hsinking when he was on a visit there and was now detained at the Japanese Consulate-General there — published in the *Sheng King Times*, July 25, 1934.

Of even more significance, however, than the clippings indicating widespread dishonesty among Japanese officials, was an editorial which appeared in the *Sheng-King Times* on Feb. 2. It was entitled, "The Necessity of Thoroughly Suppressing *Japanese* Bandits." We italicised the word Japanese because the editorial referred to Japanese (not Chinese) banditry in Manchuria and urged the early and complete expulsion of all undesirable Japanese elements from Manchukuo. The editorial declared emphatically that the "explusion of one Japanese scoundrel from Manchukuo was worth more than the execution of ten Chinese bandit leaders." The editorial referred to the frequent charges that the Nanking Government had sent spies to instigate trouble or that agents of the "Blue Shirts" had

entered Manchuria secretly in order to engage in anti-Japanese or anti-Manchukuo activities. Continuing, the editorial declared, "According to our observation the opportunities of people sent to Manchukuo from south of the Great Wall to create trouble are negligible and their suppression is not difficult. The real menace in Manchuria is not an occasional anti-Japanese or anti-Manchukuo spy or bandit or even 'blue shirt' emissary. Manchukuo's worst menace comes from the activities of arrogant and oppressive and bad Japanese characters who flock here by the hundreds from Japan proper. Unless they can be expelled from the country all talk about developing the new empire and the construction of the New Paradise is a 'big joke.'"

Foreign Minister Chang Chun Appeals to Japan for Peace; China Honors Memory of Hu Han-min

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Gen. Chang Chun Urges Removal of Hostility Between China and Japan.**
2. **Nanking Denies Hsu Shih-yin Resigning as Ambassador to Japan.**
3. **Japanese Demand Evacuation of Nanyuan Barracks by Chinese Troops.**
4. **Two Chinese Shop Assistants in Tientsin Carried Off by Japanese.**
5. **Independent Currency System in North Seen With Appearance of New Notes.**
6. **Red Leaders Appeal For United Front Against Japanese Aggression.**
7. **China Honors Memory of Hu Han-min in Nation-Wide Memorial Services.**
8. **Prospects of Nanking-Canton Rapprochement Said Brighter Than Before.**

Readjustment of Sino-Japanese relations formed the subject of an address given by Gen. Chang Chun, Minister of Foreign Affairs, at the weekly memorial service at the Waichiaopu May 25.

"The situation between China and Japan being what it is today," Gen. Chang declared, "further failure to achieve a thorough readjustment of their relations will not only be detrimental to the interests of the two countries, but concerns the whole question of peace in eastern Asia." Continuing, Gen. Chang said: "Nevertheless, it is a matter for regret that concrete discussions have not yet started as regards the scope of the desired readjustment and the manner in which it is to be brought about. So far as China is concerned, any problems, the solution of which will redound to mutual welfare of the two countries and the security of peace in Eastern Asia, are considered as coming within the scope of readjustment and any formulas based on equality and reciprocity as well as mutual respect for sovereign rights are regarded as helpful means towards achieving our end. Readjustment should not be confined to any local questions or to any particular issues. It is desired not as a temporising policy to ease the present situation, but with the object of ensuring peaceful co-existence of the two peoples for generations to come".

Nations, as individuals, Gen. Chang declared, may become subjects of deep hatred and animosities, but as the Chinese saying goes: "no lasting feud ever lasts a century." "Such being my belief," Gen. Chang said, "I appeal to the political foresight of responsible authorities of both countries and earnestly hope that they will make strong efforts to remove the causes of hostility and to establish lasting understanding."

Referring to the rampant smuggling situation in North China, Gen. Chang said: "At present smuggling in North China has assumed amazing proportions. Flood of contrabands has paralyzed the market and killed the business of legitimate traders both Chinese and foreign. Apart from a huge loss of revenue, the situation threatens the very foundation of our economic structure. The Customs preventive service, on account of serious obstacles placed in its way, has been powerless to deal with this orgy of smuggling but we believe that if it is the real desire of Japan to co-operate with this country, a simple move on her part will instantly put an end to such deplorable situation."

Replying to Japan's professed concern over the red situation in several parts of China, Gen. Chang said:

"Japan has frequently professed her concern over communist disturbances in certain parts of this country: such concern is well understood by us in as much as the effects of internal agitations in one country are bound to be felt by its neighbours due to the close inter-dependence of modern nations. During the last few years the Chinese Government has waged a relentless struggle against the red menace and the situation has been pacified to such an extent that it is now confident of an early liquidation of the whole trouble. Under whatever circumstances China has determined not to relinquish even temporarily her firm stand against communists, nor to tolerate within her territory subversive activities of any organizations aiming at the overthrow of the existing political institutions by force."

Gen. Chang concluded: "During the last few years the Chinese people have concentrated their efforts on rebuilding their country strictly on the basis of self-salvation and self-help. We are confident in our own strength to bring about national renaissance. We have never contemplated the possibilities of political alliances, nor have we attempted to play off distant Powers against neighbouring countries. The basis of our policy is: Live and let live. In other words, we want the right of national existence for ourselves as well as the establishment of the principle of co-existence and co-prosperity in the comity of nations. We are making a supreme effort to ensure our own security. We also earnestly desire all interested Powers will jointly strive for the consolidation of peace in eastern Asia."

Commenting on the speech delivered by General Chang Chun regarding Sino-Japanese relations, the *Ta Kung Pao* in its editorial on May 26 stated:

"General Chang's speech was but a reiteration of the statement issued by General Chiang last year. Although General Chiang's statement created a good impression in Japan for a time, it had little effect on Japanese activities in China. China's attempt to maintain her existence has been looked upon by the Japanese with jealousy. The practice of smuggling in North China is nothing but an attempt to cut off the hope of national revival of China. The increase of Japanese troops in North China has created a scene of terror. Under this situation, it is feared that no improvement of the conditions can be expected. We cannot understand what good it will be to the Japanese if China does not have a strong government. We can not understand why the Japanese consider it is impossible for China and Japan to exist side by side. In his comment on Hirota's foreign policy, a Japanese writer declared: 'Directors of Japanese foreign policy are like hunters, pursuing after a deer. They see only the deer but not the mountain in front of them. They aim at the Nanking Government but fail to recognize the existence of Chinese people . . . .' This opinion on Japanese foreign policy expressed by a Japanese critic is of great importance. The present attitude of Japan will undoubtedly not lead Japan and China in laying their permanent national foundations. The efforts of all those who strive for the improvement of the Sino-Japanese relations in the past six months, are complete failures. It is up to Japan not to make worse the already very strained relations between the two countries."

NANKING DENIES CHINESE AMBASSADOR TO TOKYO IS RESIGNING

Reports of the impending resignation of Hsu Shih-ying, the Chinese Ambassador in Tokyo, were categorically denied May 22 by a spokesman of the Foreign Office in Nanking. The reports in question first appeared in a Japanese daily published in Shanghai.

Domei reported May 27 that the much-heralded diplomatic negotiations for a readjustment of Sino-Japanese relations would have to be postponed until autumn, as the Japanese Embassy had been officially informed that Lin Sen, chairman of the National Government, would leave on his summer vacation on June 19. This would prevent Shigeru Kawagoe, Japanese Ambassador-designate to China, who will leave Kobe on June 20, from presenting his credentials. As international etiquette requires that an envoy present his credentials before undertaking any diplomatic task, this development will automatically force Mr. Kawagoe to inaction throughout the summer.

K. Wakasugi, First Secretary now in charge of the Japanese Embassy, returned to Shanghai May 24 from Nanking, where he conferred with General Chang Chun, Minister of Foreign Affairs, on current Sino-Japanese issues. Mr. Wakasugi has telegraphically reported to the Tokyo Foreign Office on the result of his conference with General Chang.

Another joint statement was issued by the various organizations in Canton May 14, expressing opposition to the appoint-

ment of S. Kawagoe as ambassador to China. In the meantime, a petition has been sent to the Nanking Government asking the latter to transmit their opinion to the Japanese Government.

Increase in the number of Japanese diplomatic and consular officials stationed in China was considered at the first meeting of a commission for the study of reforms in the organization of the Foreign Office May 26, according to a *Domei* report. The body, formed at the instance of Hachiro Arita, Foreign Minister, also discussed the increase in the number of Japanese embassies abroad.

Yakichiro Suma, Japanese Consul-General in Nanking, sailed from Shanghai for Japan May 27 aboard the s.s. *Taiyo Maru* under instructions from Tokyo, according to a report in *Shanghai Mainichi*. The official has been ordered to return to Tokyo at once to report on recent developments in China and on the Nanking Government's attitude towards the smuggling situation in North China and the increase of the Japanese forces in that area, the paper said. Mr. Suma's report to Tokyo will have an important bearing on the instructions to be given by Hachiro Arita, Japanese Foreign Minister, to Shigeru Kawagoe, his successor as Ambassador to Nanking, the *Mainichi* predicted.

Replaced by Lieut.-Gen. Tashiro after 21 months of service in China, Lieut.-Gen. Tada, until recently Commander of the Japanese Garrison in North China, left Tientsin May 22 for Tangku enroute to Japan to assume his new post as Commander of the 11th Division.

JAPANESE DEMAND EVACUATION OF NANYUAN BARRACKS BY CHINESE TROOPS

Evidence that the Japanese authorities intend to station a large body of troops at Peiping is contained in a demand that the Chinese barracks at Nanyuan, five miles outside the South Gate of the City, be handed over for the use of Japanese troops, according to a *Reuter* dispatch May 25. The troops of General Sung Cheh-yuan, Chairman of the Hopei and Chahar Political Council, at present occupy these barracks, which adjoin the airdrome used by the China National Aviation Corporation and the Eurasia Aviation Corporation. The airdrome has been used freely by Japanese military airplanes for many months, despite protests from Nanking and local authorities. The Chinese will accede to the demand, it is believed, for two reasons, first, to avoid the seizure of the barracks, and secondly to avoid large bodies of Japanese troops being stationed inside the city, which is the only alternative.

Receiving Chinese pressmen in Peiping on May 20 on behalf of Major Imai, Japanese Military Attache, who went to Changchun on May 16 to attend a conference called by the Kwantung Army, Major Hamada, assistant to Major-General Matsumuro, said that all the reinforcements for the Japanese garrison in North China were expected to arrive from Japan by the end of this month. He declined to disclose the exact number of these reinforcements, but said that they were too many to be stationed at the various points designated in the 1901 Protocol. Questioned concerning reports current in local Chinese circles that the Japanese military authorities were trying to persuade Prince Teh to enter into an anti-Red pact with Japan, Major Hamada replied that he did not know anything about them. Concerning the reported offer of the local Japanese authorities to co-operate with the Chinese authorities in suppressing Korean and Japanese drug dealers, Major Hamada said that, while the Japanese authorities would do their best to assist the Chinese, he hoped that the latter would also try to deal with those who bought drugs. He argued that, if there were no Chinese buyers, there would be no business for Korean and Japanese drug dealers.

Major Hamada further said that, during the last few months, many Japanese had come to Hopei for legitimate business. He hoped that the Chinese authorities would give them adequate protection. He regretted to note that, in March, the Hopei Provincial Government issued a secret order to the various districts in the province, instructing them to prevent Japanese from renting Chinese houses irrespective of their occupations. He considered this unfair and contrary to Sino-Japanese treaty engagements. He also said that, in view of the influx of large numbers of Japanese into Peiping during the last few months, the existing Japanese consular police force in Peiping was not adequate. He hoped that the Chinese police authorities would assist the Japanese police in rendering protection to the new arrivals.

TWO CHINESE SHOP ASSISTANTS CARRIED OFF FOR OFFENSIVE TRADE-MARK

Chinese circles in Tientsin were considerably stirred May 22, when the news became known that two employees of the Native Goods Store on Pei Ma Lu in the Native City were illegally carried off by the nationals of a "certain country" (Japan) on Thursday night, May 21. The two salesmen are Chao Ao-lou and Lu Chun-chieh. The incident was learned to have occurred owing to the objections by "certain quarters" that one kind of shirts sold in the store bears the trade mark of a girl holding an umbrella. The "certain quarters" consider the idea as representing the "resistance against the Rising Sun", and therefore anti-Japanese.

Lib Pao reported on May 25 that at the request of certain country, Shih Yu-shan is organizang three divisions of anti-Red armies in North China. Part of the anti-Red armies will be formed by the Peace Preservation Corps of the Demilitarized Zone.

Wang Hsiang-chen, formerly an interpreter to Shih Yu-san, erstwhile North China militarist, was assassinated in Tientsin by unidentified gunmen at 8:30 p.m. May 22 on Lang Shu Street, Japanese Concession. The assassination was generally interpreted as the result of personal grudge.

INDEPENDENT CURRENCY SYSTEM IN NORTH SEEN WITH APPEARANCE OF NEW NOTES

New notes of the Bank of Hopei appeared in Peiping May 25 in pursuance of the order announced on May 24 by the Hopei and Chahar Political Council making this Bank the sole note-issuing institution in the two provinces. Dated 1934, however, they were printed by the Bureau of Printing and Engraving at Peiping two years ago, but hitherto had not been used. The full effects of the order cannot be guaged until details of the scheme have been worked out by the Council's Economic Commission, but it is generally felt to represent a first step towards an independent currency system in Hopei and Chahar. The order, it is noted, does not prohibit circulation of notes of the three Central Government banks—the Bank of China, the Central Bank of China and the Bank of Communications. An unconfirmed report is also current that a large amount of silver handed over by foreign banks to branches of the Central Government banks has been transferred to the Bank of Hopei.

The recommendation of the Law Codification Commission of the Hopei and Chahar Political Council for the establishment of a branch Supreme Court in Peiping is not likely to be accepted by the Ministry of Justice in Nanking. A Nanking dispatch to the Tientsin *Ta Kung Pao* quotes an official of the Ministry as saying that, as the highest tribunal in the land, the functions of the Supreme Court should be centralized. There is no need, he declares, for a branch supreme court in Peiping, or in any other part of the country.

JAPANESE POLITICAL AND CULTURAL ACTIVITIES IN FUKIEN

The Japanese Consul-General in Amoy went to Foochow May 21 by plane to call on General Chen Yi, Chairman of the Fukien Provincial Government. He discussed with the Fukien chairman the problem of permanent right of the Japanese to lease land in Fukien province.

Great attention is being paid by the people in Amoy to the demand of the Japanese to build a temple at the Takwanyuan in that City. The local authorities are reported to have given permission to the Japanese to build the temple and have ordered the people to remove the tombs in the area.

The Japanese Foreign Office has decided to organize a Japanese Institute of Culture in Fukien at a cost of Yen 100,000, according to Japanese circles in Foochow. The Institute will be inaugurated in the early part of August.

Laichow Jih Pao reported on May 5 that a new autonomous Government has been formed in Pingwo, Western Fukien, where three brigades of autonomous army are now attempting to occupy Tapu as a base to invade Kwangtung. The autonomous forces are said to be well-equipped with ammunition supplied by the Japanese.

Noting a recent aggravation of the animosity between Japan and China, the *Shanghai Mainichi* in an article on May 24 saw in this situation "a supreme test for the good faith of General Chiang Kai-shek towards Japan." "It goes without saying that the atmosphere was created principally by the anti-Japanese propaganda campaign launched by China over the smuggling situation," the paper said. "There is a discernible feeling among the people to start an anti-Japanese boycott with the smuggling scandal as an excuse. And the opinion is growing daily that if a boycott is launched, a military conflict between Japan and China is unavoidable," the paper asserted.

RED LEADERS APPEAL FOR UNITED FRONT AGAINST JAPANESE AGGRESSION

A stirring appeal for immediate cessation of "civil war," the calling of a "peace conference" and the formation of a united front to resist Japanese aggression has been made by Chu Teh and Mao Tse-tung, Chinese communist leaders, in a circular issued on May 5 and addressed to the "National Government in Nanking, the Military Affairs Commission, officers and men of the Chinese Army, Navy and Air Force, all parties, all public organizations, all newspapers and all Chinese who do not want to be ensalaved. The circular, according to a report in the *Shanghai Evening Post* May 23, was issued under the name of Mao as "chairman of the Central Government of the Chinese Soviet Republic," and Chu as "chairman of the Military Affairs Commission of the Red Army and Revolutionary Army." Declaring that the Red Army was invading Shansi for the purpose of resisting Japanese aggression in North China, the circular denounced the government leaders who send large forces to check their "advance." "We now offer to equip the Red Army with all necessary weapons within a period of one month to join the united front against Japan," the circular said. "We propose to call an immediate cessation of hostilities and call a peace conference in order to realize our common aim of resisting the Japanese."

CHAO TAI-WEN SUCCEEDS HSU YUNG-CHANG AS SHANSI CHAIRMAN

The Executive Yuan on May 26 appointed Chao Tai-wen, right hand man of Gen. Yeng Hsi-shan, to the post of Chairman of the Shansi Provincial Government to succeed Gen. Hsu Yung-chang whose resignation has been accepted. Mr. Chao is 69 years of age and one of the oldest revolutionists. He was formerly a teacher of Gen. Yen Hsi-shan at the Shansi Agricultural College. In 1928 Mr. Chao was Minister of the Interior in the Nanking Government. Simultaneous with the appointment of Mr. Chao, Gen. Chen Cheng, who has been directing the anti-Communist campaign in Shansi for the past several months, was made Commander of the Red-Suppression forces for the border regions of Shansi, Shensi, Suiyuan and Ninghsia. Gen. Chen is to be placed under the direct supervision of Gen. Yen Hsi-shan, Pacification Commissioner for Shansi and Vice-chairman of the Military Affairs Commission.

On a tour of Kansu and Ninghsia in connection with the planning of anti-Communist plans in the two provinces, Gen. Chang Hsueh-liang, acting Commander-in-Chief of the Red-Suppression Forces in the Northwest, arrived at Lanchow from Sian by plane, May 25. After a brief visit in Lanchow, Gen. Chang will proceed to Ninghsia to see Gen. Ma Hung-kwei, Governor of Ninghsia. His trip to the two provinces, Gen. Chang said, is to devise counter-measures to check a possible penetration by Red remnants now in northern Shensi.

CHINA HONORS MEMORY OF HU HAN-MIN IN NATION-WIDE MEMORIAL SERVICES

Shanghai on May 25 joined other cities in this country in a nation wide mourning for the passing of Hu Han-min, the late Chairman of the Standing Committee of the Central Executive Committee. Marking the opening of a three-day mourning period for the late Party leader, an impressive memorial service was held at the Shanghai Chamber of Commerce at 10 a.m. More than 1,000 representatives from the local government, Party and other Chinese public organizations and foreign diplomatic circles were present to pay respects to the late Mr. Hu. Simultaneous with the opening of the service, sirens were blown by all local Chinese factories and a full salute of guns was fired by Chinese gunboats moored in the harbor. Two airplanes of the China Aviation League flew over the city dropping handbills eulogizing the veteran leader. As a token of respect traffic on all the thoroughfares in the Municipality area was suspended for three minutes when all pedestrians observed a three-minute silence. On behalf of the Preparatory Committee for the memorial service and the family of the deceased, Mayor Wu Te-chen of Shanghai Municipality made a brief address thanking those who were present. In the course of a speech delivered at the ceremony Dr. Wang Chung-hui expressed his profound regret over the untimely death of the Kuomintang veteran, whose personality and revolutionary deeds command admiration and respect. With the passing of Mr. Hu, Dr. Wang stated, China has lost a great leader, a loss well nigh irreparable at this moment of national crisis. During the three-day mourning period, National and Party flags were half-masted and all amusements in the Greater Shanghai area suspended.

On the first day of the three-day mourning services for the late Hu Han-min, the eight official Nanking delegate to Canton paid their respects to the late Kuomintang statesman at 8 a.m. May 25. All National and Party flags over the city of Canton were at half-mast.

The eight government delegates consist of Chu Cheng, President of the Judicial Yuan, Sun Fo, President of the Legislative Yuan, Yeh Chu-tsang, Secretary-General of the Standing Committee of the C.E.C., Hsu Chung-chih, Vice-President of the Control Yuan, Li Wen-fan, Vice-Chairman of the Pensions Committee of the Central Executive Committee, Chu Chia-hua, Acting Secretary-General of the Central Political Committee, Chu Min-i, Vice-Chairman of the Cultural Affairs Planning Committee of the C.E.C., and Foo Ping-chang, Chairman of the Civil Law Committee of the Legislative Yuan. The delegation was accompanied by O. K Yui, representative of General Wu Te-chen, Mayor of Greater Shnaghai; and Yu Yen-chih, representative of General Han Fu-chu, Chairman of the Shantung Provincial Government.

Tai Chi-tao, President of the Examination Yuan and China's delegate to the World Olympic Meet, passed through Hongkong aboard a German liner for Europe on May 22. Owing to lack of time, Mr. Tai did not land and join the Nanking delegation to proceed to Canton to pay his respects to the late Hu Han-min.

Leading the nation in paying tribute to the late Hu Han-min more than 1,000 persons including Party and government officials attended a memorial service held at the auditorium of the Officers' Moral Endeavor Society in Nanking at 2 p.m. May 25. Speaking at the ceremony, Lin Sen, Chairman of the National Government, exhorted the audience to follow the revolutionary spirit of the late statesman in order to complete the unfinished task.

About 2,500 persons, representing various Party and Government organs, paid posthumous respects to the late Hu Han-min on the second day of the memorial services in Nanking. With Gen. Chiang Kai-shek, President of the Executive Yuan, officiating, the rites were attended by Lin Sen, Gen. Feng Yu-hsiang, Dr. H. H. Kung, Wu Chih-hui, Dr. Tsai Yuan-pei, Gen. Ho Ying-chin, Gen. Chiang Tso-ping, Gen. Chang Chun, Mao Chao-tsun, Shih Ying and others.

A report from Kaifeng states that 5,000 persons took part in a memorial service for the late Kuomintang leader May 26, presided by Gen. Shang Cheng, Chairman of the Honan Provincial Government.

Peiping's three-day memorial for the late Hu Han-min started May 25 with all flags flying at half-mast and all amusement grounds closed and radio entertainment programs suspended in respect to the departed leader. An impressive ceremony was held at the Chungshan Park that morning. At 12 o'clock noon, a salvo of 101 guns thundered in salute to the departed revolutionist. All traffic became standstill and all city observed a three minute silence, while all sirens in local factories also sounded their moruning.

All flags were half-masted and three minutes silence was observed in Tientsin at noon May 25 in memory of the late Hu Han-min, who passed away in Canton on May 12 last.

The death of Hu Han-min was viewed with deepest regret in Lhassa, according to a telegram received at Nanking from the Tibetan capital May 26. A memorial service was held there May 25 to mark the opening of the three-day mourning period for the late Party veteran. As an expression of respect National and Kuomintang flags were be half-masted during the mourning period.

The Chinese community in Tokyo held a memorial meeting on May 26 for the late Hu Han-min in the Chinese Embassy. More than 100 persons attended the service which was presided by Hsu Shih-ying, Chinese Ambassador to Japan.

New postage stamps bearing the picture of Hu Han-min will be issued by the Ministry of Communications in memory of the deceased Party leader. The stamps will be put into circulation at the time of the State Burial of Mr. Hu in the Capital.

Before his death, *Kuo Min* reported, Hu Han-min, Chairman of the Standing Committee of the C.E.C., had written a statement on the Draft Constitution. This statement will be published by the South-western authorities shortly.

50,000 VOLUNTEERS IN MANCHURIA SAID STILL OPPOSING JAPANESE

There are still about 50,000 anti-Japanese volunteers scattered throughout Manchuria, according to General Kung Hsien-yung, their leader, who has come to Canton to attend the funeral of the late Hu Han-min, reported *Reuters* May 22. Appointed Commander-in-Chief of the Northeastern Volunteers in 1933, General Kung first entered Manchuria disguised as a farmer, and since then he has fought numerous engagements of a guerilla nature with the Japanese "Manchukuo" forces. He proposes to renew the campaign in the near future.

The rumors concerning the murder in Canton of General Pai Chung-hsi, Vice-Commander of the Kwangsi provincial army, were described as "unfounded" by authoritative quarters May 20. Kan Kai-hou, the Foreign Commissioner, telephoned to General Pai's house in the night of May 19 and received a reply that the General was peacefully asleep. General Pai came to Canton from Nanning recently to attend the funeral of Hu Han-min.

General Li Tsung-jen, Commander of the Kwangsi forces, arrived in Canton May 20 by plane from Nanning, provincial capital of Kwangsi. After paying his respects to the late Hu Han-min, General Li had a conference with General Chen Chi-tang, General Pai Tsung-hsi, Hsiao Fu-chen and Chou Lu on the political situation in the Southwest.

General Huang Tsu-chu, chairman of the Kwangsi provincial government, who visited Canton to pay his respects to the remains of the late Hu Han-min, returned to Kwangsi by airplane May 22.

PROSPECTS OF NANKING-CANTON RAPPROCHEMENT SAID BRIGHTER THAN BEFORE

With the gathering in Canton of high civil and military leaders to attend the funeral of Hu Han-min rumors of important political events in the offing multiply daily. Some of these are of an alarmist nature, suggesting the possibility of a widening of the cleavage between Nanking and Canton, or even an open revolt by Canton against the military dictatorship. *Reuter*, however, is assured in the most influential quarters that the Southwest leaders have no desire to precipitate a crisis. On the contrary, they regard the propsects of a Nanking-Canton rapprochement as brighter at the present time than for many years past, and intend to make full use of the opportunity for discussion afforded by the arrival of the Nanking delegates for the Hu obsequies.

Shanghai Mainichi reported on May 24 that Yeh Chu-tsang is acting as General Chiang Kai-shek's political representative in discussing with the Southwest leaders on problems of the Constitution, the National People's Congress and the anti-Japanese diplomacy. As to military problems, General Chu Pei-teh, who will arrive at Canton soon, has been delegated for that purpose.

Definite decisions are reported to have been reached at a meeting at Canton, May 21, participated by Generals Chen Chi-tang, Li Tsung-jen, Pai Tsung-hsi, Chou Lu and Hsiao Fu-chen. Although, it is generally believed that the Southwest leaders are in favor of closer cooperation between Canton and Nanking, they are not ready to abolish the Southwest Political Council and other Southwest organizations, reported *Lib Pao*, May 22.

FIFTH ANNUAL JOURNALISM INSTITUTE HELD AT YENCHING UNIVERSITY

Featured with speeches of nationally-known journalists, discussions among specialists and students, welcome-and-farewell dinner parties, the Fifth Annual Journalism Institute, was held under the auspices of the Department of Journalism, Yenching University at Peiping, from May 7 to 9.

Dr. J. Leighton Stuart, President of Yenching University, made a statement concerning the Journalism Institute to the effect that "it is an instance of the way in which a university endeavors to keep in close touch with the community it serves . . . . and there is perhaps no more urgently essential form of patriotic effort in the China of today than the moulding of public opinion on matters of national welfare through a trustworthy and technically efficient press . . . . We welcome to our campus the publishers and other specialists whose very presence here is an evidence of the possibilities opening up before our students, and whose practical experience ought to supplement the theoretical teaching of this timely subject by relating it to the actualities with which they have become familiar. We venture to hope also that the instruction given here will help to dignify this profession and to raise the standards for those entering it by the aims and achievements of our graduates."

Leading speakers at the different sessions of the recent Institute were Dr. Lo Lung-chi, editorial writer of the *Yi Shih Pao*, Tientsin; Wang Yun-seng, editor of the *Ta Kung Pao*, Tientsin; Ma Hsing-yeh, Chairman of the Department of Journalism, Central Political Academy, Nanking; and Quentin Pan, editor of the *Hua Nien Weekly*, and Dean of the College of Arts and Letters of National Tsinghua University, Peiping. Discussions following each lecture were led by the staff of the Department.

Hubert S. Liang, Chairman of Yenching Department of Journalism, opened the three-day program of the Institute by an address in which he said that "The public now regards journalistic education with increased interest."

Mrs. Walter Williams, widow of the founder of the world's first school of journalism at the University of Missouri, who brought goodwill and greetings from the first journalism school in the U.S. to the first journalism department in China, and Dr. Lo Lung-chi, also made short addresses.

At the second day session Wang Yun-seng was the leading speaker. He remarked in the course of his speech that "today the-

Group photo showing some of the guests and students at the Journalism Institute Luncheon Held in Peiping, May 9

press of China essentially needs reform." Quentin Pan talked about the problem of the youth of China and the national crisis on the third day.

A farewell luncheon was given by President J. Leighton Stuart on May 9.

Dr. George Sellett Appears as Witness in Kleffel Case

Another sitting of the Second Kiangsu High Court was held May 23 to hear the appeal of Julius Kleffel, German, former manager of the American Oriental Banking Corporation, against the decision of the First Special District Court sentencing him to six month's imprisonment for breach of confidence.

A feature of the sitting was evidence given by Dr. George Sellett, former U.S. District Attorney, who prosecuted the case against Frank Raven in the U.S. Court for China, and who has succeeded the late F. L. Hough, as liquidator of the defunct Raven institutions. Dr. Sellett began his testimony with details of the Henry Young account. He said that on April 8, 1935, Mr. Young had deposited $20,000 in notes in the bank for safe keeping. If the ordinary procedure had been followed this amount would have been converted by the compradore into silver and put into the safe-keeping vault. A receipt was given to Young signed by Tsu and Raven. The compradore, however, did not convert the deposit into silver, but obtained the $20,000 and booked it as a gold deposit, thereby increasing the account.

In the safe-keeping vault the gold deposit receipt was placed under the name of Henry Young; this receipt was signed by Tsu and Feingold, but not by Raven. Concerning the Epport transaction, the witness said that the same procedure had been followed, except that no actual money had been paid into the bank, but a check drawn on the bank, and instructions given to convert the $12,000 into silver and the amount put into safe-keeping stock. If the proper procedure had been followed, the compradore would have to use from the amount "cash due from compradore" $12,000, decreasing the balance of the account thereby. This was not done, but the same procedure as in the Young transaction was followed.

Answering questions by Dr. Fischer, who appeared with Dr. Grossman as counsel for the accused, Dr. Sellett disclosed that the compradore had admitted in the presence of Mr. Gill, Dr. Sellett and his secretary, and the counsel of the compradore, that on December 31, 1934, the date on which the "cash due from compradore" was audited for the last time, he had arranged to raise some money and to borrow money in order to have native banks show credit balances in conformity with the books of the A.O.B.C. This practice was always followed on the date of audit. Dr. Sellett also disclosed that the compradore confessed to having used bank funds to give several loans to employes of the bank and the different Raven companies. He also confessed to having used $50,000 for a lock factory which is the compradore's own property.

The hearing was once again adjourned, no date being set.

Depositors in Defunct A.O. Bank to Receive 10 Percent June 15

Dr. George Sellett, recently appointed by the U. S. Court for China as liquidator of the American Oriental Banking Corporation, recently announced that a ten percent dividend will be paid to depositors in the defunct bank on June 15. Cheques for the amounts are now being prepared. The late Frank L. Hough, original liquidator, issued a payment of seven and a half percent in December, about six months after the bank closed its doors. When Dr. Sellett took over following Mr. Hough's recent death, he said that his predecessor had nearly completed plans for the second payment, which brings the total recovery so far to 17½ per cent.

A.O.B. Failure Causes Huge Loss to Office Appliance Co.

P. S. Widdup, chairman and general manager of the Office Appliance Co., Ltd., speaking at the sixth annual meeting of shareholders held in Shanghai May 25, stated that if it had not been for the failure of the American-Oriental Banking Corporation, and its affiliated concerns, the company would have shown a profit of over $20,000, but, as it was, the company showed a loss of over $80,000 on the year's working.

Death Penalty to Be Imposed on Smugglers

According to a set of regulations passed by the Central Political Council on May 20, the death penalty is provided for smugglers who evade the payment of legitimate customs duty in excess of $6,000; or who organize secret organs, or who act in conspiracy with foreign nationals or rebels—these in addition to offenses involving murder or threatening preventive agents in the execution of their duty. Life imprisonment is provided for offenses of a less serious nature than those mentioned above. It is further provided that violators of any regulation provided for in the regulations in places where a state of emergency exists shall be court martailled by the highest military organ in the place concerned. The due punishment shall be meted out to the smugglers upon approval of the superior military organ. For violators in other places the local judicial court shall have jurisdiction.

Chinese Tariff Rates Not to Be Reduced

Opinions advanced by the Japanese press and a responsible Japanese spokesman to the effect that the reduction of the Chinese tariff is the surest way to combat the rampant smuggling situation were refuted by a high official of the Ministry of Finance May 20. According to the spokesman the tariff policy of China is followed not only with a view to swelling the national treasury, but also to protect native industry.

In a telegram to General Chiang Kai-shek, Dr. H. H. Kung and Wu Ting-chang, the Shanghai Chamber of Commerce, the Shanghai Civic Association, the Shanghai Bankers' Association and the Shanghai Native Banks Association May 22 jointly pledged their support to the Government decision not to reduce the import tariff rate as a measure to check the practice of smuggling.

Chinese telegrams from Canton stated that the Nanking Government had complied with the request of a certain country to reduce the import tariff on sugar.

Import Duties on Sugar Not to Be Reduced

In reply to a query from the Native Sugar Merchants Association in Swatow, the Ministry of Finance May 23 enjoined the Swatow merchants not to give credence to unfounded reports of a possible reduction of import duties on sugar.

Japanese Sugar Dealers Active in Wuhu

Indicative of the extent of Japanese sugar which is being dumped into Wuhu, a new import concern under the style of the Sing Yih Company was inaugurated in said city May 24 to deal exclusively in Japanese sugar.

A consignment of more than 220 tons of smuggled sugar was detained by the Tientsin-Pukow Railway Administration at the Pengpu station May 23.

Customs Loss for Week May 11-17 Is Over 800,000 C.G.U.

Estimated loss of Customs revenue for the week of May 11 to 17 inclusive as a result of the undiminished smuggling operations in North China amounted to over 800,000 Customs Gold Units, (a gold unit is 40 cents U. S. *gold*) according to information from Tientsin Customs authorities.

Central Bank Ordered to Prevent Smuggling of Copper Coins

The Ministry of Finance May 23 ordered the Central Bank of China and the various Customs houses to prevent the smuggling of copper coins and copper metal.

Three Japanese, found secretly exporting more than 500 silver dollars, were detained at the French Concession wharf in Tientsin, May 24 by the Customs officers with the assistance of French police. The contraband was confiscated and the smugglers handed over to the Japanese Police.

20,000-Packages of Artificial Silk Smuggled to Shanghai

According to the Customs authorities at Tientsin, a total of 6,300,000 packages of artificial silk have been smuggled into Tientsin from the East Hopei district since March, 1936. Of these large quantities of artificial silk, 600,000 packages have been sent to Luchen, 300,000 to Kaoyang, 100,000 to Peiping, 20,000 to Shanghai and 400,000 sold in Tientsin locally.

Smuggling Into East Hopei Is Legal, Gaimusho Spokesman Contends

Inasmuch as Japanese goods imported into East Hopei pay the dues required by the *de facto* authority of the area, they are not being smuggled as alleged by the Chinese Maritime Customs, a spokesman of the Foreign Office in Tokyo told foreign press correspondents May 20. The fact that the East Hopei Autonomous Government had reduced its import tariff to one-fourth of that of the Nanking administration, he said, had caused an increase in trade in the area under its control.

Railway Employees Dismissed for Conniving at Smuggling

Three smugglers are being detained by a special disciplinary committee of the Railway Employees' Kuomintang and a number of railway employees attached to the Kunshan Station have been dismissed by the Nanking-Shanghai Railway Administration following the discovery of a plot in which a station master is alleged to have received substantial sums to help the smugglers in unloading a large consignment of artificial silk from Tientsin.

Railway employees who act in connivance with smugglers shall be court-martialed and punished in the same manner as drug traffickers, according to identic orders issued by the Ministry of Railway to the various railway administrations.

Arrangement have been made between the Tientsin Customs and the Tientsin-Pukow Railway for the detailing of Customs inspectors at the railway stations and on trains in order to curb smuggling operationt.

Smuggled Salt Detained in Tientsin

Approximately 500 tons of salt, which some Japanese tried to smuggle out of Tientsin, were detained by the Customs authorities in Tientsin, May 20.

Seventy Shops Closed in Tientsin Because of Smuggling

As the result of the competition from smuggled goods seventy sugar shops in Tientsin, acting as distributing agents for Fukien, Swatow and Chengchow sugar in North China, closed their doors last week. At present there only thirty sugar shops open, and these are doing no business.

Japanese Contraband Is Piled High at Yangtsun

Instead of passing through Tientsin, smuggled goods are now being transported directly from the demilitarized zone to Yangtsun, a station north of Tientsin, in a round-about way by trucks and other vehicles. The result is that though there has been a phenomenal decrease of smuggled goods arriving in Tientsin from East Hopei, large quantities of these illicit goods are piled high at the Yangtsun station.

Gendarmes Sent to Swatow to Stop Smuggling

To stop the practice of smuggling in Swatow, the Kwangtung Provincial Government sent the 17th Gendarmes Corps to Swatow May 21 to assist the militaty forces there.

Tsingtao Customs Sustains Ten Million Dollar Loss

The Tsingtao Customs have sustained loss in revenue amounting to ten million dollars during the period since smuggling became rampant, it was announced May 25 by the Customs authorities, in said city.

Sir Frederick Leith-Ross Proposes Prevention of Smuggling by Force?

The *Ta Wan Pao* May 24 reported that Sir Frederick Leith-Ross, Economic Adviser to the British Government, has proposed to the National Government to mobilize the best warships of China in the Gulf of Chili for the prevention of smuggling.

Chinese Tobacco Industry Also Hit by Smuggling

The Chinese tobacco industry in Shanghai is among the industries that have been hard-hit by the rampant smuggling in North China. The Shanghai *Evening Post* reported that almost all of the cigaret factories in Shanghai have been forced out of the North China market and for a time the Shanghai market also was flooded by contraband cigarets. Only through rigid inspection by the Chinese Rolled Tobacco Merchants Guild were the cigaret stores persuaded to boycott the smuggled goods.

Customs-Railway Arrangements for Checking Smuggling Fruitless

A *Central News* message from Tientsin May 25 stated that the Customs authorities in Tientsin are considerably worried over the prospects of successful arrangements with the railway authorities for concerted measures against the rampant smuggling in North China. Although negotiations had been proceeding the several days previously between the Customs and the Peiping-Liaoning Railway authorities, no definite word was forthcoming from the latter regarding the beginning of the enforcement of the new anti-smuggling measures. Lin Shih-tseh, Customs Superintendent, was learned to have telegraphed to the Ministry of Finance for further instructions. Said negotiations were centered on the question of detailing Customs inspectors at the various railway stations and on trains for a closer inspection of smuggled goods.

Co-operation with the Customs authorities in this respect, it may be remembered, was last week extended by the Tientsin-Pukow Railway authorities.

New Customs Superintendent Appointed for Kalgan and Dolonor

Kuo Chao-feng was appointed last week by the Hopei-Chahar Political Council to the post of superintendent of the Kalgan-Dolonor Customs Administration, succeeding Lu Hsiu-wen, who has been transferred to another post.

Smuggling and Increase of Japan Garrison Are Discussed in Commons

The smuggling situation in North China and the increase in the strength of the Japanese garrison there formed the subject of no fewer than 12 questions in the House of Commons May 25.

The questions specially emphasized the need for Chinese Customs guards and revenue cruisers being armed against smugglers.

E. N. Ensor to Head New Customs Organ

The Ministry of Finance will shortly establish a "General Inspection Bureau for the Prevention of Smuggling along Railways." E. N. Ensor, Tariff Secretary of the Inspectorate-General of Customs, will be appointed director of the Bureau.

"Yung Sheng Weekly" Urges Seizure of "Enemy" Goods

The *Yung Sheng Weekly* (which is the successor to the *New Life Weekly*, the editor of which, Tu Chung-yuan, was imprisoned last July for an article entitled "Emperors," with particular reference to the Japanese Emperor) published a hotly worded editorial May 23 under the heading "How to Prevent Smuggling," to the following effect:

The Chinese people should at once stop buying enemy goods, selling enemy goods and using enemy goods; the people of the entire country should arm themselves to suppress smuggling. Whenever they see any enemy goods, they should unconditionally seize and confiscate them by force of arms the Chinese people urge Great Britain, the United States, France and Soviet Russia and various countries also to stop at once buying or using Japanese goods; China should dispatch emissaries to the various countries to expose the shamelessness of Japan in indulging in smuggling and their ambition to "swallow" China and Asia and request the governments and the peoples of the various countries to enforce economic sanctions against Japan.

In conclusion, the *Yung Sheng Weekly* commented:—"Besides the above positive measures, negatively we should resolutely oppose our Government making any concessions, for example, the independence of the Customs in North China, reduction of the import tariff, etc. At the same time, we must also oppose other Powers sacrificing China's interests in order to effect a compromise with Japan."

The Tokyo *Nichi Nichi* May 17 printed a special dispatch from Shanghai stating that many Shanghai organizations of Chinese are secretly adopting resolutions to bring pressure to bear on Japanese goods under pretext of preventing smuggling.

"Manchester Guardian" Denounces Japan's "Simple" Foreign Policy

The foreign policy of the Japanese Empire must be the simplest in the world, the *Manchester Guardian* stated in an editorial article May 20. It is, shortly, to expand economically, politically and militarily whenever and wherever possible, and no circumstance, at home or abroad, has permitted it to vary this fundamental rule.

Since Stalin's recent declaration and the publication of the Soviet-Outer Mongol Pact have made it clear, the journal added, that Japan could not advance farther westward without a war with Russia, "which she is not prepared to fight, and would not win" the Japanese flood has been diverted southward. The *Guardian* described the smuggling situation in East Hopei—"perhaps the most shameful case of robbery ever condoned by a great Power" —and the increase of the Japanese garrison at Tientsin as general evidences of an attempt to undermine the Nanking Government.

New York Times Sees Smuggling as an Instrument of Japanese Policy

Rampant smuggling activities and increase of Japanese forces in North China continue to occupy front page space in all important morning papers in New York, according to a survey made by the *Central News* Agency's New York correspondent. In an editorial entitled "A New Instrument of National Policy," the New York *Times* editorially deprecated the Japanese inspired smuggling activities in no uncertain terms. Has the Japanese smuggling in North Chian achieved the dignity of an intrument of national policy?" it asked, and proceeded to assert that British and American protests to Tokyo would imply that it has. "For weeks with the connivance of the Japanese military, smuggling of Japanese merchandise has been taking place on a wholesale scale. This illegal traffic has already adversely affected British and American trade and seriously undermined the whole Chinese Customs Administration," the *Times* commented.

In a special article in the New York *Times*, Nathaniel Peffer, well-known writer on Far Eastern topics, pointed out that "the Far Eastern conflict is now becoming economic." "Legally," Mr. Peffer averred, "there has been no closing of the open door to which Japan is committed by international agreements. But by establishing an autonomous regime, increasing armed force, and abetting smuggling activities in North China, Japan is pushing its penetration with accelerated pace." "North China trade" he warned, "tends to become a Japanese monopoly, paralying other foreign competitors, and agasinst these tactics foreign Powers are helpless except by indirect measures."

Moscow *Pravda*, discussing the smuggling situation in North China, commented:—"The task the Japanese are now setting themselves to is quite clearly—to destroy the entire Chinese customs system and to subject Chinese markets and finance to Japanese control. This smuggling is actually a new form of the struggle of Japanese imperialists for control of China."

Japan to Purchase 400,000 Tons of Changlu Salt

The Japanese Consul-General in Tientsin, accompanied by a special representative of the Japanese Finance Office, called on Kou Ting-yuan, Director of the Changlu Salt Administration and General Hsiao Chen-yin, Mayor of Tientsin this week, regarding the purchase of salt by the Japanese Government from North China. A Tientsin message to the *Shun Pao* indicated that the Japanese officials have demanded the purchase of 400,000 tons of salt to be shipped to Japan in the latter part of June.

Great Increase in Szechuan Salt Revenue

The salt revenue in Szechuen increased this year, according to Miao Shiu-chieh, Director of the Szechuan Salt Administration, $24,520,000 this year as against $12,120,000 in 1933.

To expedite reclamation work on the salt fields in the northern coast of Kiangsu, the Provincial Government has decided to cut a new canal between Chenchiakiang, Lienshui, and Nantung, in the northeastern part of the province. The cost of the project is estimated at six million dollars.

Tremendous Loss of Salt Revenue Through Smuggling

A tremendous loss in salt revenue has been incurred in North China as large quantities of smuggled salt continue to flood the market in the districts east of Tientsin. Smuggled salt, it is stated, is being sold at one dollar per bag in Tintsin, which is 90 per cent cheaper than the price of government salt.

Tokyo Paper Relates Early Love Life of First British Ambassador to Japan

The Tokyo *Asahi Shimbun*, May 18, stated that quite by accident the international love romance of the late Sir Claude Maxwell MacDonald, the first British Ambassador to Tokyo, who came to Japan as Minister in 1900, subsequently promoted to Ambassador and for 13 years until he returned to England in the spring of 1912 made great contribution toward consolidating the friendship between Britain and Japan, has been revealed. Miss Takako Yoshida, Sir Claude's mistress at the time, is still alive, 60 years old, and lives at No. 775 Kinoshita, Hayama-machi, Kanagawa prefecture, the very house where she had kept house for her illustrious lover. All these years she has hever moved from it and has spent a frugal, lonely life there. According to her, moreover, there should be a girl somewhere about who is 25 years old born to the late Sir Claude and a geisha of Shimbashi, for whom she has been searching these years with every means within her power. Sir Claude landed at Nagasaki as the first British Minister to Japan in 1900, when he engaged Miss Yoshida, then 24 years old, as "interpretress." Miss Yoshida, kept house for Sir Claude at Hayama. After the Russo-Japanese War, Sir Claude was promoted Ambassador and continued to spend his days in Tokyo and Hayama. One night he was a guest at a restaurant in Shimbashi. Geisha were called to entertain the diplomat and one of them caught his fancy. In 1911 she bore him a girl baby. Despite this happening, relations between the Ambassador and Miss Yoshida went on with every appearance of happiness as ever. But the day of parting came at last. On April 30, 1912, he received the order from his home government to return. He left, depositing Yen 10,000 in a Shanghai Bank for her.

"Shao Kwangtung" Becomes Hysterical When Taken to Scene of Nakayama Murder

The hearing of the charges against Yih Hai-sen ("Shao Kwangtung") and two other Chinese, charged with being implicated in the murder of Warrant Officer Hideo Nakayama of the Japanese Naval Landing Party on Darroch Road, Shanghai, November 9, last year, was resumed at the First Special District Court May 27. At the wishes of Judge Shao, the accused was taken to the scene of the crime May 22, where the Judge personally conducted the re-enactment of the crime. At the conclusion of the re-enactment and when taken to the police van the self-confessed murderer began to shout "save life" and during the return trip he continued shouting for "help." This action together with intermittent showers of tears during the previous court session have aroused considerable doubt in official circles as to the truth of the confession made by him several weeks ago. At the previous sitting of the Court Yih burst into tears after he had changed his story about the motive for killing the Japanese bluejacket. His defense attorney made an application that Yih be lodged in the court detention house rather than be returned to police custody. The application, however, was not granted. In making the application, the lawyer pointed out that Yih has been considerably weakened since his arrest last month.

Mussolini Says Italy Desires to Stay in League, But Necessary to Recognize "Realities of Situation"

VARIOUS matters affecting the Mediterranean area, British influence therein, and incidentally having a vital bearing on the future of the League of Nations have been taking place during the last week or two. With the Italians in control of the Lake Tsana region, which is one of the principal sources of the Nile, (the very lifeblood of both the Soudan and Egypt) and with the Arabs defying the British in Palestine, the British Government is faced with problems of an exceedingly grave nature. Just as Japan has all along told China as regards Manchuria, namely that it is necessary to realize the realities of the situation," so Mussolini told a correspondent of the Paris *Intransigeant* May 24 that Italy desired to remain in the League of Nations, but her collaboration must not be rendered impossible, adding, "It is time to descend from the clouds of metaphysics to recognize realities and facts which are favorable to the development of European civilization." Il Duce envisaged a veiled military occupation of Abyssinia based principally on aviation. The question of aid by foreign capital, did not arise at the present time, he said. Signor Mussolini voiced the opinion that there would not be a European war. He said he would continue to do his utmost to preserve peace, but peace must follow the evolution of the peoples by balancing their interests. "I ask nothing of Great Britain—I am ready to give her all possible assurances," he said.

—*M. Cutcheon in the Chicago Tribune*

The statement by Il Duce was in reply to a question whether if Britain asked him to give a solemn guarantee not to touch her possessions in East Africa or Egypt in return for material, if not formal, recognition of the Italian annexation of Ethiopia, he would be ready to give such an assurance.

The Background of the Palestine Trouble

In Palestine, the telegrams indicate an increasingly dangerous situation. To understand the problem it will be necessary to review briefly a few points in recent history. The British Government as a reward for Jewish help against the Central Powers during the war promised the Jews that they should be assisted in repopulating their ancient land. But it is to be remembered that the Arabs also assisted the British in the war against the Central Powers, the exploits of "Lawrence of Arabia" assisting very considerably to this end. When the first Jewish emigrants began to arrive in the Holy Land (looked on as holy by the people of three religions—namely Christians, Mohammedans and Jews), the Arabs did not demur a great deal. But with the constant influx of more Jews the Arabs more and more began to feel the economic pressure, not to speak of the natural antipathy between the people of the two religions. The result has been that during the past month or so the Arabs have been actively opposing the admission of further Jews to Palestine. The British Government did not comply with the Arabs' request to restrict Jewish immigration, but instead continued to issue further permits for Jews to enter. The Arabs first began a general strike and later began to murder not only Jews but to attack and kill British soldiers who had been sent (mostly from Egypt) to Palestine to quell the disturbances.

Up to May 25 fifty persons had lost their lives during the course of two months as the result of clashes in which Jews, Arabs, police and British soldiers were involved. On said date five persons more were killed during riots in various parts of the country. Bombings and shootings continued in spite of the emergency measures taken by the British authorities which were tantamount to a declartaion of martial law. British officers found a large quantity of ammunition and explosives in homes at Jaffa, following the bombing of the Palestine Bank and the Jaffa railway station. Through it all the British attitude is one of firmness as was evidenced in a speech made by Lt.-Gen. Sir Arthur Wauchope, High Commissioner of Palestine, at Tel Aviv May 26 that no strike and no acts of violence would cause the Government to deflect one jot from its determination to discharge fully its obligations under the Mandate.

Tel Aviv is being used as a port for the disembarkation of merchandize into Palestine, as a result of the Arab strike in Jaffa, which has tied up all operations in that city. Striking Arab sailors and dockers protested against the unloading of Jewish goods at Tel Aviv, declaring that the government would be held responsible for any troubles which may result. British troops have occupied all public buildings in Jerusalem, and in other principal points.

Britain Declares Italian Interference in Egypt or Palestine Will Not Be Admitted

An important statement on British policy in Africa and the Near East was made by the Prime Minister Baldwin, at question-time in the House of Commons May 21. Mr. Baldwin was asked by a National Laborite whether in view of the decision of the Italian Government to annex the whole of Abyssinia and the consequent menace to the British position in Africa and the Near East, the British Government would make it clear that, in no circumstances, would Italian interference with the existing regimes in Egypt and Palestine be permitted; that any attempt to do so would be considered an unfriendly act, and treated accordingly: and Whether, in view of the changed conditions caused by developments in the air, the question of strengthening Britain's defences in the Suez Canal zone would be considered in consultation with the Egyptian Government.

Dealing with Egypt, Mr. Baldwin stated that the British Government notified the foreign Powers, including Italy, in March, 1922, that it had decided to terminate the protectorate and recognize the country as a sovereign independent state. The British Government made it clear then, in unmistakeable terms, that it would regard as an unfriendly act any attempt at interference in the

We'll Make A Direct Agreement, Thank You!

—*Washington Post, Washington, D. C.*

affairs of Egypt by any Power, and would consider any aggression against Egyptian territory as an act to be repelled by all means at its command. No other public statement appeared necessary. As regards the Suez Canal, preliminary conversations were proceeding at Cairo with a view to the negotiation of a treaty of alliance with Egypt. The question of protection of the Canal was also included. The Government was responsible for the administration and protection of Palestine in accordance with the Mandate and intended to discharge its obligations to the full. This statement was receeived with cheers. The Dominions, he said, were being kept fully informed.

It will be remembered that the Negus of Abyssinia after his flight from Abyssinia proceeded to a monastery in Palestine. After a short stay there he boarded a British warship for Europe. Foreign Secretary Eden stated in the House of Commons May 20 that there would be no restrictions on his movements. The only stipulation was that while he was in territory under British control, he should not engage in the furtherance of hostilities. No pressure, either direct or indirect, would be applied to prevent his coming to Great Britain if he so desired.

Italians Dissemenate Anti-British Propaganda

The fact was brought out in the British Parliament May 26 that Italy is disseminating anti-British propaganda in India and Palestine. The Italian government had set up Italian radio stations in both these British territories, from which propaganda was broadcast in the native languages of the populations. Foreign Secretary Eden commented, "The situation referred to is being watched with the greatest care, and representations on the subject have been recently made to the Italian government. For the time being, however, there is nothing I can do that would be of any use."

Meanwhile, Italian quarters declare that Rome does not expect sanctions to be lifted as early as middle of June when the League Council meets at Geneva to discuss the Abyssinian and Locarno issues. They deny the reports that Italy will withdraw from the League of Nations if sanctions are upheld beyond next month. Italian commentators point out that sanctions are likely to disappear gradually through successive defections of sanctionist powers. Once a normal situation is restored, they say, the joint Anglo-French-Italian Stresa front may come into effect again. Should, however, sanctions be maintained later than September, Italy may be compelled to contemplate formation of a united front with Germany, thus definitely renouncing the Stresa system, these commentators concluded.

China to Have Seat on League Council

A message from Geneva May 22, stated that China has won her fight for recognition of her right to a seat on the Council of the League of Nations. The Assembly, it is generally expected, will elect China to a seat when it meets in September.

The British Government, which previously opposed, in principle, the creation of additional seats on the Council, it was stated, recognized the justice of the Chinese claim and the need for making an exception. China's fight for a seat had been in progress for the past year and a half.

Central Bank of China to Investigate Silver Stocks in the Interior

The Central Bank of China is sending special representatives to the interior to investigate the amount of silver which the people have so far failed to hand over to the three government banks for the exchange of legal tender notes. It is further reported that these representatives, with the cooperation of the local authorities, will persuade these people to turn over their silver to the Government banks in exchange for legal tender notes.

$16,500,000 in Silver Shipped to the U.S. This Week

A total of $16,500,000 in Chinese yuan was shipped to the United States in the s.s. *President Jackson* which sailed out of Shanghai May 26. This is the first consignment of silver to leave China following the conclusion of the monetary agreement in Washington between the Chinese delegates and the Treasury Department.

The silver was contained in 3,300 boxes contained $5,000 each, which came from the vault of the Central Bank and the Joint Savings Bank in Szechuen Road to the Bund.

No figures are available as to the amount of silver to be purchased by America from China but it is realiably stated that many more shipments of silver will follow.

According to information received from the United States by Chinese bankers in Shanghai, the silver bought by China is to be placed in United States Government vaults as a pledge for a credit of U.S.$25,000,000.

Contents of Sino-American Currency Agreement as Reported to Japan

The Tokyo *Nichi Nichi* May 18 stated that according to a report reaching the Japanese Foreign Office from Mr. Saito, Ambassador to Washington, the *Journal of Commerce*, reporting the conclusion of the Sino-American silver agreement, said the United States had agreed to purchase from China 70,000,000 ounces of silver at the rate of 50 cents per ounce (the present market price of silver is 54 cents per ounce); the above price is to be paid in gold and credits in the United States.

China Financial Delegation to Leave U.S. Shortly

Having completed their mission in America, the members of the Chinese delegation who participated in the recent monetary conferences with the officials of the United States Treasury will shortly leave for Europe on their way back to China.

Roosevelt Pleased Over Completion of U.S.-China Silver Agreement

President Roosevelt May 19 characterized the new Sino-American silver agreement as a "fine illustration of what can be accomplished by sitting down and talking things over."

America's agreement to purchase substantial amounts of silver from China was described by Senator Key Pittman from Nevada as "the most favorable step toward the stabilization of currencies since the disruption of international exchange and the resulting departures from the gold standard."

The *Shanghai Mainichi* May 20 stated that Sir Frederick Leith-Ross, Economic Adviser to the British Government, had played an important part in the conclusion of the Sino-American monetary agreement in Washington; and that Sir Frederick had urged America to give financial assistance to China.

American Economists Recommend Abandonment of Silver Purchases

Eighty-two American university professors, members of the Economists' National Committee on Monetary Policy, signed recommendations in New York May 24 that the Government abandon purchases of silver and that Congress repeal the authority which it granted to the President to re-establish a bi-metallic monetary standard or otherwise subsidize the silver industry.

Prominent Republican members of the Senate Banking Committee May 25 joined in advocating repeal of the Silver Purchase Act.

Considerable sentiment for inflation of the currency still exists in Congress, the Guarantee Trust Company of New York reported May 25.

Government Banks Urge Prompt Silver Conversion in Hsuchow

In view of the imminent expiration of the time limit for the conversion of silver into legal tender notes, the three Government banks, namely the Central Bank, the Bank of China, and the Bank of Communications, have sent joint notifications to the different district governments requesting them to urge the people to exchange all the silver in their possession as soon as possible.

Kwangtung Agrees in Principle to Adopt "Big Money" Currency

Kwangtung authorities have agreed in principle to abandon the present Kwangtung currency system and to adopt the big money "standard currency," H. O. Tong, Customs Superintendent of Shanghai, stated in Canton May 20. In order to work out comprehensive plans for the institution of the new currency reform, according to Mr. Tong, the Kwangtung provincial authorities request the dispatch by the Ministry of Finance of experts to Canton to help the local authorities in this matter.

Kwangtung to Issue Three Million Dollar Rural Reconstruction Bonds

In addition to the $7 million Water Conservancy Bonds recently issued, the Kwangtung Water Conservancy Commission is contemplating the issuance of $3 million Rural Reconstruction bonds. To facilitate water conservancy work in the province, the Commission will establish branch offices in the various districts of Kwangtung.

Fukien Wishes to Issue $900,000 Treasury Notes

An appeal has been made to the Ministry of Finance by the Fukien Provincial Government for permission to make an issue of 25th Year (1936) Short Term Treasury Notes for $900,000. The Finance Ministry transmitted the petition to the Executive Yuan for consideration.

Bank of China Gives $1,000,000 Credit to Anhwei Farmers

In an attempt to assist the farmers in Anhwei province, the Bank of China is extending one million dollars in credit to the farmers through cooperative societies in seven districts of the province.

Kiangsi Province Has a Deficit of One Million Dollars

Although the Kiangsi Provincial Government has collected more taxes this year than the in past, it has a deficit of more than $1,000,000 because of the numerous reconstruction works carried out in the province the during year.

Shantung Has Deficit of $2,400,000

According to the Department of Finance of the Shantung Provincial Goverament, Shantung has a deficit of $2,400,000 this year. As a result of protracted negotiations between the Shantung authorities and the Ministry of Finance, it is reported that the Central Government has decided to give a subsidy of $50,000 monthly to the Shantung Government.

Japan as China's "Protector"

BY THE REVIEW'S FOOCHOW CORRESPONDENT

ON May 9, twenty-one years ago, China yielded to Japan's twenty-one demands. The *Min Pao*, a Japanese-owned newspaper in Foochow, on the occasion of this Humiliation Day printed an editorial in bold type to the following effect:

"What teeth are to lips, China is to Japan. Both Japan and China will either co-exist or co-perish. Japan feels ill at ease when China remains weak, but she will feel easy when China becomes strong. Had it not been for Japan's curbing Russia's ambitions in Manchuria, Czarist Russia would have thrust her nose into the interior of China (China should be thankful to Japan for her annexation of Manchuria!). But for the existence of Japan in the Far East, China would be in danger of dismemberment by Western Powers (China should again be thankful to Japan for her "hands-off-China" warning to Western Powers!). In short, Japan proves to be China's protector rather than aggressor. There is, however, a wrong notion in Chinese minds that Japan is China's enemy and China must seek revenge on Japan. To strengthen herself, China should rectify the wrong notion, nay, should be friendly to Japan."

Completion of Network of Highways in Fukien

In spite of financial difficulties, the provincial government has lost no time in building important highways and completing or repairing the uncompleted or damaged highways. There are, in Fukien, three important highways: Foochow-Chuanchow-Amoy road, Pucheng-Nanping road, and Foochow-Kutien-Kienao road. The Foochow Chuanchow-Amoy road stands in dire need of repair. The expenses for repair are estimated at thirty thousand dollars. The Pucheng-Nanping road will be completed next fall, the expenses being estimated at sixty thousand dollars. Construction on the Foochow-Kutien-Kienao road, 234 kilometers in length, will commence in July and present plans are to complete it in eight months. The expenses will total eighty-five thousand dollars. The erection of this highway may facilitate the communication between Fukien and Chekiang. The highways in Lincheng, Kiening, Yinan, Taitien, etc., are being surveyed.

A Speech by Chairman Chen Yi

Chen Yi, Chairman of Fukien Provincial Government, after he had returned from his South Fukien inspection tour, delivered a lengthy speech during the Weekly Memorial Service on May 11. The following is a summary of his speech.

"My inspection tour is the first of its kind. As I am not quite familiar with the previous conditions of the districts I have visited, I do not know whether any progress has been made lately. I take it for granted that a little progress must have been made. The progress is, however, confined to political affairs. Economically and culturally, the aforesaid districts still lag behind. We should bring about sweeping reforms. In the first place we must put an end to the old practices of corruption and indolence. We should be willing to serve others, to give up selfish ends, to shoulder responsibilities; we should have courage. Above all, we should not be pessimistic. Fukien, abounding in natural resources, stands only second to Kwangtung in wealth. Secondly, we should carry out with precision and promptness our plans of promoting public health, facilitating communications and developing education.

"In my opinion, the provincial government at present has to devote itself to two things. The first thing is to train the people. Not only must public functionaries be trained but merchants, and even servants, must also be trained. The second thing is to make a study of living conditions of people with the object of improving them."

Rumors That Japanese Will Seize Anchi Mines

According to the Hongkong newspaper *Wah Tsz Yat Pao* (May 9), Japanese will seize the mines in Anchi (South Fukien). This rumor may come from the visits of Japanese officers connected with South Manchuria Company to Foochow and Amoy.

Smuggling in South China Receives Attention

The problem of smuggling in North China has received the major attention of students of Far Eastern politics. Few political observers view with concern the effect of smuggling in North China upon South China trade, as the smuggling situation in South China is as embarrassing as that of North China. In South Fukien there are numerous smuggling organs. In Swatow, smuggling organs are particularly numerous. In Canton the merchants of a certain country have opened no less than forty shops for sale of smuggled goods.

A considerable quantity of Canton sugar, as we know, has been conveyed to various ports along the Yangtze for sale. As Canton sugar is admitted to these ports free of duty, it is much cheaper than imported foreign sugar. Much foreign sugar smuggled to North China, has, in these few months, been transported to the Yangtze ports. Canton sugar, being more expensive than smuggled foreign sugar, can find no market in the Yangtsze regions.

Chow Lu Stresses Necessity for a United Front Against Japanese Aggression

On May 4, seventeenth anniversary of the student movement, Chow Lu, Chancellor of the National Chung San University in Canton, made a speech in which he advocated a united front against foreign aggression. Among other things, he said:

"Our country has encountered a crisis of exceptional gravity. To cope with the crisis, we should sink political differences, and strive for attainment of our common goal—salvation of our nation and resistance against our enemy. We must, first of all, make the foundation of our country firm; and then, we can have our political views realized. On the contrary, should we have no country, how could we talk idly about political affairs? Furthermore, a divided China can decidedly not resist the attack of a united Japan.

Devoted to national salvation, China should, of course, make strenuous efforts by herself; but in the meantime, she should not discourage the sympathetic support of her cause from her well-wishers. During the time when China needs help from others, to make outcries of anti-this and anti-that is inadvisable. Can China fight singlehanded against the other powers combined?"

Japanese Work Southwards as Well as Northwards

The Japanese Government is simultaneously pushing through its continental (northward advance) and oceanic (southward advance) policy. According to the *Kung Sheung Daily News* (May 12), a Hongkong paper, the Japanese scheme of invading South China comprises two parts:

(*a*) Political aggression:
- (1) To resort to the old tactics of "divide and rule" by playing Canton against Nanking and vice versa.
- (2) To establish a bogus "autonomous" regime in Fukien.
- (3) To sponsor the ronins' smuggling activities so as to control Kwantung finance.
- (4) To give material assistance to certain military forces.
- (5) To excite the hatred of Singapore natives against overseas Chinese and to jeopardize the enviable position of Chinese in Singapore.

(*b*) Cultural invasion:
- (1) Enlargement of Japanese-financed schools in Foochow and Amoy, and hospitals in Canton and Amoy.
- (2) Establishment of science institutes and libraries.
- (3) Enlargement of Shintoist institutions.

According to the same newspaper (May 11), Japan will increase her garrisoned armies in North and Central China on the pretext of the so-called Anti-Red Pact. Also, she will use Formosa as base of operations to thrust her snout gradually into South China. In other words, she will invade South China in the same way as a silkworm gnaws away a mulberry leaf.

The "Opposite Shore" Conference

A Formosa dispatch, dated May 9, has it that the Formosan viceroy, with a view to carrying out the southward policy, will summon Japanese consuls in Foochow, Amoy, Swatow, Hongkong, and Canton (these places are just opposite to Formosa in geographical position) to hold a conference for detailed discussion. The viceroy has determined to increase Japanese stationed troops in order to meet the necessity arising from the realities of the situation. He will hold a grand military review during the time when the consular conference is to be held.

Oda, Adviser to Formosa Viceroy, in Fukien

A dispatch appeared in *Wah Tsz Yat Pao* (May 14) to the effect that Oda, high Japanese adviser to Formosan viceroy, has stealthily crept into Fukien and has brought with him schemes for activities in South Fukien. Chen Chung-hin, general-of-staff of bogus "autonomous" forces, has made an investigation tour with Oda to Putien. To direct the activities of the bogus "autonomous" forces, a main organ, it is said, will be established in Foochow.

Sino-Japanese Administrative Cooperation Pact

Gen. Sung Cheh-yuan, Chairman of Hopei-Chahar Political Council, has, according to a Hongkong newspaper, not only reached an understanding with Japanese about anti-communism but concluded the so-called Hopei-Chahar-Sino-Japanese-Administrative-Cooperation-Pact with Japan. The pact will be binding for a term of three years. Various organs in Hopei and Chahar will employ Japanese advisers on June 1.

Passages of Japanese School Text-books About China

Japanese school text-books seem full of misconceptions and colored views about China and things Chinese. Below are translations of a few passages in Japanese school text-books and reference books:

"The Twenty-one Demands are all reasonable. That they should be accepted by China is a matter of course. Japan raised these demands with two objects in view: preservation of China's territorial integrity and maintenance of Far Eastern peace. It is regrettable that most Chinese are blind to Japanese good intentions. It is ridiculous that ignorant Chinese young students and professional agitators often make a fauss about nothing on May 7 every year (Chapter XXII of the Eastern History Textbook which is approved by Japanese Educational Ministry).

MY BOY'S CONDITION WORRIES ME!
I FOUND OATMEAL HAS A VITAMIN THAT'S WONDERFUL FOR KEEPING YOUNGSTERS FIT!
HER STORY—
MY LITTLE JIMMIE WAS A NERVOUS FIDGET. DIDN'T GAIN AS HE SHOULD. WAS ALWAYS HIGH-STRUNG AND RESTLESS.
I NEVER DREAMED DIET HAD ANYTHING TO DO WITH IT. THEN SUDDENLY I READ A MAGAZINE ARTICLE BY A FAMOUS DOCTOR ON THE VITAL IMPORTANCE OF VITAMIN B FOR KEEPING FIT! HOW IT COMBATS CERTAIN DISORDERS OF NERVOUSNESS, CONSTIPATION AND LOSS OF APPETITE.
I LEARNED MIGHTY FEW FOODS HAVE THIS VITAMIN B, BUT THAT QUAKER OATS HAS LOTS OF IT — IT'S DONE HIM A WORLD OF GOOD!
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"Since time immemorial, China has styled herself as Chung Hwa and despised other nations as 'barbarians' . . . She does not know that she will some day be vassalized by the 'barbarians' (a passage to be found in the New Japanese Reader Book X which is also approved by Japanese Educational Ministry).

"Large in area and fertile in soil, Manchuria abounds in natural resources. With the means of communication made easy, the chances for development are great. Manchuria is really a good place for a Japanese colony (a passage to be found in a government-edited geography reference book for higher primary schools).

Visit of Formosan Newspapermen to Foochow

Six representatives of Formosan news agencies made an investigation tour to Foochow and Amoy for the purpose of securing firsthand information about political, economic, and cultural conditions. They arrived in Foochow on May 17. They were given a hearty welcome by Foochow newspapermen. In an interview, one of the Formosan newspapermen said that Foochow has made remarkable progress in reconstruction work and that newspaper enterprises are making strides. It is his hope that Foochow newspapermen will make an investigation tour to Formosa in the near future.

Some Participators of Chung Hwa Revolutionary League Repent

Fourteen participators of the bogus Chung Hwa Revolutionary League (an anti-Nanking organization formed by Chen Min-chu and his associates) have been arrested. Cheng Tao-yung, an important participator, has died of beriberi in prison. Four of the arrested persons, who are intellectuals, have repented of their past conduct. They pledge that they will hereafter sever their relations with the Revolutionary League; that they will give wholehearted support to Kuomintang and Generalissimo Chiang Kai-shek, the sole revolutionary leader; that they will inform the interested authorities of their departure from Foochow or participation in a society of any kind; and that they will receive capital punishment should they act contrary to what they have promised. Besides, they issue manifestos denouncing the Revolutionary League, disclosing the secret activities of Chen Min-chu and others, and urging the young men not to go astray.

May 20, 1936.

The Execution of Four Mongolian Leaders

BY THE REVIEW'S HARBIN CORRESPONDENT

THE execution of the four Mongolian leaders sentenced to death by the secret Manchukuo tribunal for an alleged conspiracy against the puppet State and espionage in favor of the Soviet Union has made a profound impression on all classes of the population. In the first place, it is the best indication of the chasm lying between the population and the puppet authorities and once again shows the fallacy of Manchukuo "independence," a myth existing only on the lips of the Japanese and their hirelings. Secondly, it horrifies one by its arbitrariness, for the Mongols were tried by a secret tribunal, away from public notice, so that what the public knows of this extraordinary case is only the fact of the trial and the execution, the men having been allegedly convicted of conspiracy against the "State" and espionage in favor of the U.S.S.R.

There is no denying the fact that the execution of these leaders, especially a suspicious secrecy that surrounded the arrest and the trial of the accused, has forever alienated Mongols of Manchukuo from the puppet authorities and their masters, the Japanese. Private news reaching here from Hailar, West Manchuria, is to the effect that the executed persons, Lin Sheng (governor of North Hsingan Province), Chung Teh (chief police director of the same province), Fu Ling (chief-of-staff of the 1st garrison district of the same province) and Hwa Lin-tai (secretary to Lin Sheng), were regarded as leaders of the Mongol tribe in Manchuria and as such had unquestionable influence over their tribesmen, inhabiting the Barga district, adjacent to the Outer Mongolian frontier. Naturally, the tribe feels the greatest possible resentment against the Japanese, inasmuch as the deceased were not only their leaders in politics but also in the matters of culture and enlightenment, the Mongols having not much of intelligentzia.

This affair came as an upshot of strained relations between Japan and the U.S.S.R., especially of recent bloody encounters on the Outer Mongolian-Manchurian frontiers, where these border "incidents" turned into grand battles, involving hundreds of belligerents and all technical appliances of scientific warfare. Since Outer Mongolians proved to be good fighters and inflicted unexpectedly high casualties on the Japanese-Manchukuo troops, the local authorities appeared to have become suspicious of Mongols inhabiting the district, and, as usual, began to search for spies amongst them. The unearthing of an espionage ring amongst the highest officials of North Hsingan Province partially explained, they say, the cause of these unexpectedly high casualties amongst Japanese-Manchukuo troops during the recent frontier clashes.

Conflicting Rumors—Was It a Frame-Up?

In the mass of conflicting rumors circulating around the execution of Barga leaders, it is difficult to make out whether it was a clever frame-up, into which the Mongols had allowed themselves to be trapped, or they were really secret agents of the U.S.S.R., as the official statement would have us to believe. A section of opinion in Harbin, especially in Hailar, West Manchuria, holds that Lin Sheng, Chung Teh, Fu Ling and Hwa Lin-tai fell the victims of a clever frame-up on the part of Manchukuoans, secretly working for alienating Japanese from Mongols.

It is difficult to make out how it could be possible, but the fact is undeniable, and this is admitted by the Japanese authorities themselves, that the country is thoroughly saturated with self-styled spies, informers and *agents provocateur*, all working in the interests of the Japanese authorities and flooding the police, the gendarmery and similar institutions with reports on alleged Soviet spies and informers said to be still operating in Manchuria. It appears that at least a part of these free-lance counter-espionage agents does not work without its own, (so far hidden but the presence of which is becoming more and more apparent) object, aimed at estranging the population from the Japanese and their puppets. And the best means of attaining this end is said to be inventing the frame-up cases of espionage in favor of the U.S.S.R., each of which invariably ends in the taking by the authorities of retaliatory measures not only against persons implicated but also their relatives and friends.

A Soviet espionage bogey now hangs all over Manchuria as a cloud, and there are groups of persons—Manchukuoans, Russians, Japanese and Koreans—who profit by the extreme susceptibility of the authorities in this respect, reporting on every person thought to have no love for Pu Yi and his masters. According to a recent official statement in the *Harbin Times*, the authorities are unable to follow each and every report on the alleged espionage case, and they publicly requested the would-be free-lance informers to exercise more care in what they report. In the public statement following the arrest and deportation of the Rev. A. Philimonov, of the Sungari priority, the authorities went so far as to state that it is often the policy of the Soviet secret service in Manchuria to betray their own secret informers, after having fully used them up, by way of provoking the Manchukuo authorities to take due reprisals and thus to sow discontent and resentment amongst the population.

Such are conditions under which the four Mongol intellectuals fell victims. If it was a frame-up work on the part of Manchukuoans, as some rumors have it, it was a master stroke, for it created an abyss between Mongols and Japanese never to be filled in by any petting or currying.

Since the theater of any future war between Japan and the U.S.S.R. will be in Mongolia, especially in the Barga district, from which the victims hail, the alienation of the Mongolian population from Japanese and their army assumes the utmost, almost imperative importance. Viewed from this standpoint, by the summary execution of these Mongols, the Japanese appear to have gained nothing but played the fools by falling into the hands of a master-mind hidden either in the U.S.S.R. or in the Manchukuo officialdom, as present rumors have it.

The official announcement about the case was coached in simple terms; the men were found guilty of "espionage on behalf of the U.S.S.R. and conspiracy against the State." It is amazing that these Mongol leaders, petted and coddled by the Japanese even since the creation of "Manchukuo," were still dissatisfied with their "independence" within the frame-work of the puppet State and nursed the idea of still another independence. There can be no better illustration of the fallacy of Manchukuo "independence" than this single case.

Mongolia in Same Position as Poland of Old

The execution of these Mongol leaders constitutes the beginning of a bloody chapter of Mongolian history. As things stand today, the Mongols are now the subjects of three different and conflicting sovereignties—the Soviet, Japanese and Chinese, the latter one being negligible,—and the reassertion of any Mongol nationalism will doubtless lead to reprisals from these various sovereignties all together. Their position is exactly like that of Poles immediately after the Vienna Conference of 1815, by which Poland was finally partitioned amongst Russia, Germany and Austria-Hungary. The Poles were never statisfied with this arbitrary partition of their nation and were known to have revolted several times with a view to regaining their freedom, but unsuccessfully. They could regain it only after a century, in 1918, at the close of the World War, when the three great Empires—Russia, Germany and Austria-Hungary—went to pieces as the result of the war.

Exactly a similar situation exists now with regard to Mongolians, whose nationalism only now begins to reassert itself and of which the executed—Lin Sheng, Chung Teh, Fu Ling and Hwa Lin-tai—were the first victims brought to the altar of Japanese imperialism. That the executed persons were Mongol nationalists is undeniable—it is evident from the Japanese official statement itself. It says that "the accused, Lin Sheng, has been attempting to unite the tribesmen of Outer and Inner Mongolia and realize their independence with the assistance of a strong foreign Power, working for that purpose since the Chinese Revolution." The statement does not say that they were working in favor of the Soviet Union for the sake of pecuniary interests, as the legion of spies and informers works now in Manchuria and elsewhere in the interests of the Japanese service, but that they were working for the attainment of a higher and better ideal, the union and independence of all Mongols. So long as they were working for the independence of their nation, at present threatened by the three self-conflicting imperialisms and were not on the pay-roll of the Soviet secret service as mere spies, they should be regarded as the martyrs of their cause. And so are they regarded here, in Manchuria.

The Right to Rule

Whenever one sees a glaring example of brazen imperialism irrespective of whether it is in Africa or in Asia, a question comes often to mind: Is there any nation so cultured and accomplished as to be entitled to rule over others? And this searching question applies more to the Japanese, with their methods of violence and utter disregard for the rights and liberties of others, than to any other nation. Yet they have the dexterity of advocating the principle of "Asia for Asiatics." Last year, it was reported that General Matsui, a premier propagandist of this principle, at a dinner given by the Soviet-Japan Society in Tokyo, had suggested to M. Yurenev, the Soviet ambassador, then present, why the Soviets would not liberate all their Asiatic tribes, giving them complete independence of the Soviet State, contending that such liberation would be in keeping with the socialist ideal that all nations should be free and independent.

It is not known what sort of a reply was given to General Matsui by M. Yurenev, but it goes without saying that, if the Soviets were to grant independence to their numerous tribes inhabiting Siberia and Central Asia, in the manner of the Philippine Independence granted by by the U.S., Japan would in no time grab those tribes and add then to her swelling Empire.

The execution of the four Mongol leaders and the apparent persecution of the whole tribe by the Japanese raises an interesting question of orientation by small tribes inhabiting Manchuria and Eastern Siberia. This question is not yet on the foreground but it will assume supreme importance in case of war, for the

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assistance rendered to the contending forces by these small tribes will influence the issue of the war itself. And the minority policy adopted by blind and block-headed Japanese generals is such as to drive these small tribes, including Manchurian Mongols, into the arms of the Soviets.

In juxtaposition to this suicidal policy, the Soviets are adopting a general policy of moderation and tolerance in all their internal affairs, especially in regard to national minorities, and this will doubtless have more far-reaching effects than any propaganda ascribed to the Soviets; it will simply attract small tribes to the U.S.S.R. in the manner of a big magnet. The driving force of this magnet will be still greater, almost irresistible, when the Soviets introduce their much talked about new constitution, drawn, according to all reports, almost along democratic lines. For the Soviets, there is no better propaganda than to show to the world what it is, that it is a State of peoples, and not of a party.

Harbin, May 20, 1936.

British Cabinet Crisis Follows Leakage of Budget Secrets

J. H. Thomas, British Secretary of State for the Colonies, resigned his post last week, following publicity given his name in the recent judicial investigation into the leakage of Budget secrets. Telegrams from London stated that there was much surprised comment in British political circles because of Premier Baldwin's revelation of Mr. Thomas' resignation, which was tendered on Wednesday, accepted on Thursday, but was not made public until Saturday. In the judicial enquiry that had been made into the leakage of Budget secrets it was disclosed that L. H. Thomas, son of the Colonial Secretary, and member of a stock-broking firm, and Kenneth Butt, a member of Lloyds, and a son of Sir Alfred Butt, a member of Parliament, were involved. It was shown that both these men had placed insurances at Lloyds which were evidently made on the basis of fore-knowledge as to what the Budget would provide as regards income tax and tea duties. The result was that Lloyds had lost large sums. Counsel for Lloyds at the last meeting of the judicial enquiry May 20 stated that they had paid all claims regardless of the leakage; the amount was negilible, having regard to amounts usually handled by the said underwriters, it was added. Kenneth Butt has in the meantime also resigned his position with Lloyds.

Chinese Post Office to Collect Fee on Parcels from the United States

The Chinese Postal Administration announces that from June 1 a delivery tax of 15 cents Chinese currency on parcels from the United States will be collected from the addressees here, regardless of the weight of the parcel. Collection of the delivery tax, it is explained, is in accordance with the provisions of Art. 4 Sec. 4 of the Parcel Post Convention between China and the United States, under which the U.S. Post Office for some time past has been collecting a similar fee from addressees in the United States on parcels from China. The Chinese Post Office has now begun to collect a similar fee.

Chinese-American Trade Week Closes with Exchange of Trans-Pacific Speeches

The celebration in Shanghai of Chinese-American Trade Week, under the auspices of the American Chamber of Commerce and the Chinese-American Trade Council with other organizations cooperating, came to a close on the evening of May 22 when a banquet attended by prominent Americans and Chinese was given at the American Club.

The principal feature of the evening was an exchange of speeches by speakers in the United States a .d in China by a radio broadcast. The transmission across the Pacific in both directions was perfect. The broadcast took place under the direction of George F. Shecklen, Vice President of and Chinese representative for R.C.A. Communications, Inc., cooperating with the Chinese Ministry of Communications, the Shanghai Telephone Company, the Shanghai Telephone Administration, and the China Electric Company, Ltd.

The first speaker from the United States was Harper Sibley, President of the Chamber of Commerce of the United States. Mr. Sibley referred to the importance of Chinese-American trade, adding that he did not wish to omit the important part that China has played in the world and in America herself. He said that he felt the status of modern American goods in China was a sound one. The radio transmission between the two countries, he stated, was a particularly timely one in view of the fact that important financial discussion between China and America had just taken place. The next speaker from the United States was Charles K. Moser, Chief of the Far Eastern Section of the United States Chamber of Commerce. Mr. Moser referred to China as a nation of merchants and traced the early history of this country in the world of trade. He then recalled the early contacts between China and the nations of the western world and brought the growth of these contacts to modern times. Mr. Moser stressed the fact that China is an important customer in so far as the United States was concerned and that that country in return was China's most important customer. This speaker also touched upon the cultural relationships enjoyed between China and America.

Mayor Wu Te-chen was the first speaker from the American Club and was introduced to his American audience by Cornell S. Franklin, President of the American Chamber of Commerce of Shanghai. Mayor Wu laid great stress upon the cordial relationships existing between the United States and China and asked his listeners to realize that the two countries are now speaking to each other on intimate—terms. Gen. Wu Teh-chen, said the fallacy of the saying that "The East and the West will never meet" has long been exposed. Any pretence of truth is this saying had been decisively shattered by this historic occasion. "The East and the West have not only met but have also spoken to each other on most intimate terms, and our conversations now span the great Pacific Ocean, now rapidly shrinking into a mere pond," Mayor Wu added. Tsuyee Pei, Acting President of the Chinese-American Trade Council, was the second speaker from Shanghai and was also introduced by Mr. Franklin. Mr. Pei spoke of the traditional friendship between the two countries and said that America was playing no little part in the modernization of China. China, he said, is looking to America as the country best able to supply her with many of the things she needs.

The guests of honor at the banquest included Mayor Wu Te-chen, C. E. Gauss, Dr. Y. C. Wen, J. K. Choy, Clarence Matson, Y. Chow, F. R. Rose, Captain R. A. Boone, Dr. Emory W. Luccock, and Dr. C. C. Chang.

Isolationist Policy Is Scored by Secretary Hull

If the United States resumes its isolationist policies, it "would be pushing the world on to the road which inevitably leads to economic distress and through it to political and governmental chaos and military adventure," the U.S. Secretary of State, Cordell Hull, declared at a luncheon in Washington, D.C. May 22 held in celebration of Foreign Trade Week.

Chinese Bank Heads Urges Broadening of U.S. Foreign Trade

A broadening of American foreign trade to pay for imports as a means of furthering peace and increasing employment, as well as assisting in the balancing of the Federal budget, was urged in a speech in New York May 22 by Wintrop W. Aldrich, chairman of the board of directors of the Chase National Bank. Stabilization of the currencies of the world on a gold basis was likewise advocated by the banker, but he pointed out the barriers to the accomplishment of that objective. Unsettled war debts and difficulties of foreign countries with their budgets were cited as among the principal obstacles to stabilization.

The immense potentialities of China with regard to trade and commerce were described by Julean Arnold, American Commercial Attache, in an address given before students of the School of Commerce of the Univêrsity of Shanghai in the Union Church Hall May 21. Dr. H. C. Liu, president of the University, was in the chair. Mr. Arnold said that great progress had been made in foreign trade in the United States during the last few years. He could remember the time when foreign trade in America simply meant selling their goods to other countries, and implied merely exports, and not imports. They had now learnt, however, that they must expect to buy if they expected to sell. They realized the significance of international relationship. He had been in this country now, he continued, for 35 years, and had come to realize that if America was to do business with China, she must not only take a large share of China's commodities in exchange, but must go farther than that and try to encourage the Chinese people to increase and improve their purchasing power, and develop their own resources.

"World Associates" Includes Speakers Familiar with China

The "World Associates," a group of lecturers in the United States who speak on subjects pertaining to various parts of the world, includes for the 1936-1937 season several persons who are well known in China.

Among those who have resided in China for considerable periods are Mrs. Margaret Proctor Smith who returned to the United States last year after spending more than a year in Peiping and travel in various parts of the country. Other speakers well known in China who are listed are Sherwood Eddy, Grover Clark and G. Sidney Phelps. Mr. Phelps until last year was connected with the Y.M.C.A. in Japan. The headquarters of the lecture group is at Hotel Grenada, Brooklyn, N. Y.

Younger American Merchants Organize Junior Commerce Chamber

A group of younger American businessmen employed by American business houses in Shanghai has organized an "American Junior Chamber of Commerce." The officers and directors include: President, Paul F. Kops; Vice-President, Wm. A. Sippress, Jr.; Secretary, H. B. Howard; Treasurer, C. H. Green; Directors, Harrison Arnold and R. J. Monical, the officers also serving as directors.

The first public appearance of the new group was on May 15 when it participated in the welcome extended to the Los Angeles Chamber of Commerce party which visited in Shanghai last week.

U.S. Supreme Court Refuses to Review Chalaire-Franklin Case

The U.S. Supreme Court May 18 denied the petition of Cornell S. Franklin, member of the American Bar in Shanghai, for a review of the ruling requiring him to pay Shanghai Taels 47,774 (about U. S.$20,000) to Walter Chalaire, his former law partner, now living in New York. The main point at issue when the case originally came before the U.S. Court for China was whether the suit was barred by the statute of limitations. Paul Faison, appearing for Mr. Chalaire, contended that the suit was not barred even though the law of the District of Columbia set the limit at three years. Mr. Faison contended that not the laws of the District of Columbia, but the U.S. Consular regulations, which set the limit at six years applied. Judge Helmick ruled against Mr. Chalaire, whereupon the latter appealed, to the U.S. Court of Appeals of the Ninth Circuit at San Francisc, which overruled the Court here. From the latter judgment appeal was made to the U.S. Supreme Court. The judgment of the U.S. Circuit Court of Appeals directs the U. S. Court for China to reverse its decision and render judgment in favor of Mr. Chalaire.

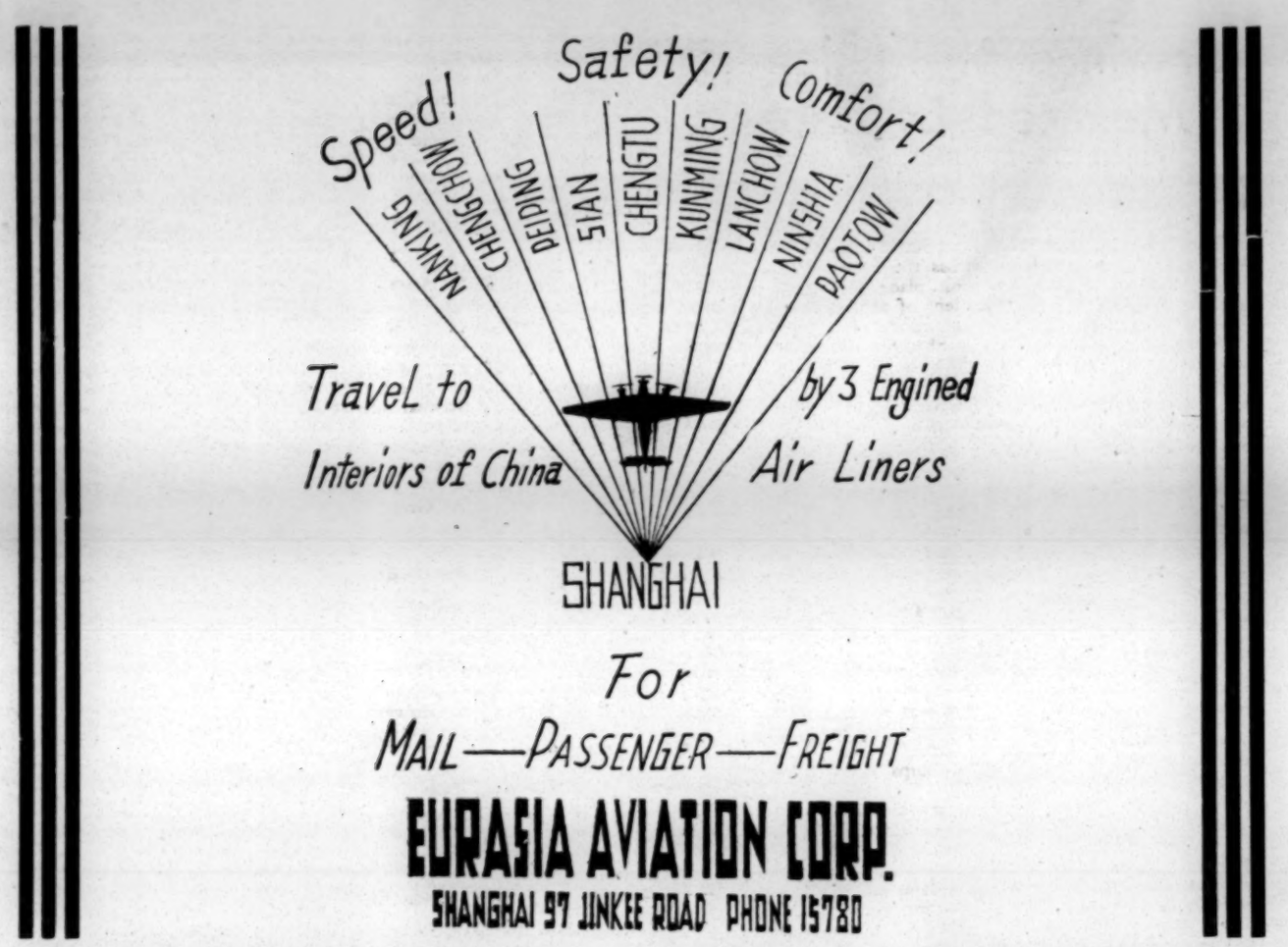
"Time" Magazine Apologized for Insult to Chang Chun

As a result of representations made through the Chinese Consulate-General in New York, *Time*, the well known news magazine, published an apology for a statement about Gen. Chang Chun which appeared in the April 20 issue of that paper. The statement referring to the Nanking Foreign Minister, which the Chinese authorities described as "groundless and scurrilous" alleged that Gen. Chang Chun had derived a large fortune from the opium traffic and in addition said that he controlled the Bank of Communications "which catered to farmers and small shopkeepers."

The correction which *Time* published, following representations by the Chinese Consul-General in New York, stated that the paper "had been misinformed by sources it had believed to be reliable." As the characterization of the Nanking official had been found to be "utterly untrue," the magazine expressed its regret and "recorded its retraction."

Canton Bureau of Public Safety Gives Details of Religious Institutions

According to a recent investigation by the Bureau of Public Safety, the number of religious institutions in Canton is as follows:—Catholic churches, 6; Protestant churches, 43; Mohammedan mosques, 4; Buddhist temples, 17; Buddhist nunneries, 52; Taoist temples, 12; temples of different gods, 109.



Air Defence Exhibit to Be Held in Hsuchow June 19

Plans are being made by the Air Defence Association in Hangchow for the opening of a large scale air defence exhibition in said city on June 19.

Sun Tung-Kang Arrives Back from Italy After One Year's Aviation Study

Captain Sun Tung-kang, well-known young Chinese aviator, who achieved fame by making a solo flight from Gemany to China three years ago, arrived back in Shanghai this week.

Merchant Ships Prohibited from Anchoring at Lunghwa

A recent order of the Ministry of Communications to the Shanghai Navigation Bureau forbids the anchoring of merchant vessels in the Whangpoo north of the cement factory and to the south of the new sheds of the Eurasia Aviation Corporation. It was explained in the order that the Eurasia Aviation Corporation had complained that the tall masts of the ships are a menace to the safety of planes when they alight on the Whangpoo.

Seven Japanese Naval Fliers Fatally Injured in Crash

Seven Japanese naval airmen were fatally injured when their machine crashed from an altitude of approximately 5,000 meters near the Manchukuo-Korean border at noon May 23. The machine, which was one of two attack planes belonging to the Tateyama Air Corps on Tokyo Bay, was completely destroyed in the crash.

Mexican Minister to Fly Over Japan to Madrid

Permission to fly over Japan on his projected flight to Madrid was asked May 21 by Major-Gen. Francisco J. Aguilar, Mexican Minister to Tokyo.

Pan-American Airways to Institute Weekly Trans-Pacific Service in August

Pan-American Airways, Inc., hopes to inaugurate regular weekly air service across the Pacific in August, a telegram from New York May 21 stated.

Thirteen Bombing Planes Being Built in U.S. for Netherlands

The construction for the Netherlands Government of 13 bombing planes, it is authoritatively learnt, was begun at the Glenn Martin factory in Baltimore, Maryland, May 11. The value of the order is $1,500,000.

U.S. Navy Dirigible To Fly Again—"Los Angeles" to Be Reconditioned

The House of Representatives' Naval Affairs Committee May 4 adopted by unanimous vote a resolution authorizing the Navy to put the dirigible *Los Angeles* in flying condition immediately. This action followed an inspection of the ship by members of the committee, accompanied by Dr. Hugo von Eckener, co-commander of the German dirigible *Hindenburg*.

U.S. Ships Bombing and Pursuit Planes Sent to Hawaii

The United States Army Air Corps announced from San Diego, California, May 20 that it was shipping six bombing planes, ten attack planes and six pursuit ships, all equipped with blind-flying instrument to Luke and Wheeler Fields, Hawaii, during June. The Corps will also send six bombers and nine pursuit planes, with one observation plane to Hawaii in August, together with 28 spare motors.

Zeppelin Airship Service to Netherlands Indies Is Planned

One of the results of the successful flights of the *Hindenberg* across the Atlantic is that the Netherlands Government is negotiation with the Zeppelin Company for the establishing of an airship service to the Netherlands Indies.

Mlle. Hilsz, Intrepid French Air Women, Meets Mishap in Sweden

The famous French airwoman, Mlle. Maryse Hilsz, who has passed through Shanghai twice in the course of fights from Paris to Tokyo, and a mechanic, Loubeau, crashed on a plane at Verberg, on the southwest coast of Sweden May 23. The plane was completely smashed. Mlle. Hilsz and the mechanic received head injuries and were taken to hospital.

Great Britain to Subsidize Imperial Air Routes

Sir Philip Sassoon, Under-Secretary for Air, introduced a financial resolution in the House of Commons May 20 providing for an increase in the annual subsidy for air transport from £1,000,000 to £1,500,000 and empowering the Air Ministry to enter into long-term agreements with transport undertakings.

British Empire Day Celebration Marred by Air Disasters

On the occasion of British Empire Day (May 24) some 45 Royal Air Force stations and fifty civil airdromes throughout Great Britain were thrown open to the public. The display was marred by several disasters, Three crashes occurred in different parts of England, taking a toll of two killed and two seriously injured. In the Straits of Malacca, near Penang, two Royal Air Force bombers collided in mid-air, as a result of which the four occupants are believed to have been killed.

Province of Fukien Is Menaced by Japan

BY C. Y. W. MENG (孟長泳)

THREE members of the Japanese cabinet recently informed the Diet of the Government's "intention" to seek peaceful economic expansion "southward." Mr. Arita, Foreign Minister, told the Lower Chamber that such expansion would prove of benefit to the people both of Japan and of the South Sea regions. Hidejiro Nagata, Minister of Overseas Affairs, added that Japan has been pursuing a "northern policy," and that the Government and the people feel that the time had come to turn southward. Admiral Osami Nagano, Navy Minister, also revealed the Navy Office's intention to pursue a peaceful "southern policy." This feeling, as explained by the cabinet ministers, was responsible for the introduction of a law providing for the control of shipping routes, and also for the establishment of the Formosan Colonization Company.

This report, short as it is, tells us quite clearly that South China will soon meet the same fate as North China, and that South China will soon be in the grip of Japanese aggression, military, political, as well as economic.

By South China, we do not mean Hongkong, Macao, Philippine, Islands, Borneo, Dutch India, Siam, Malaya, etc., for the Japanese military aggression as well as political and economic expansion in those regions is a matter that concerns more to the other powers, so we prefer not to discuss them here. By South China, we mean the Chinese Provinces south of the Yangtze Valley and along the sea coast, noticeably the Provinces of Kwangsi, Kwangtung and Fukien.

Like others, Fukien is one of China's important coastal provinces. But unlike others, such as Kwangsi and Kwangtung, where the measures for national defence have been greatly strengthened in recent years, Fukien is practically "undefended." Being within a stone's throw distance from the aggressor, yet almost without any fortified forts, the Province of Fukien will indeed be the first one to suffer from the neighboring aggressor, and Fukien would easily be a prey of the invaders.

The Japanese attempt to wrest Fukien from China has a long history. In 1898, on April 26, Japanese demanded that China should give assurances that China would not alienate any part of Fukien to any power whatsoever. In the same year, Japan demanded concessions at Amoy and Foochow. In 1915 in Group IV of the infamous "21 Demands," Japan demanded that "the Government (Chinese) should engaged not to cede or lease to a third power any harbor or bay or island along the coast of China." In Group V Japan demanded that "before borrowing foreign capital to work mines, build railways and construct harbor works (including dockyards) in the Province of Fukien, Japan should first be consulted."

However, since 1898 until recently, the Japanese aggression in China has been essentially confined to North China, so Fukien had a breathing spell. But now, Japan is already in occupation of the whole North-Eastern Provinces (Manchuria), and Jehol, and virtually in control of Hopei and Chahar, the Japanese policy is to adopt a "defensive policy in North China," and "aggressive policy in South China," meaning to consolidate themselves in North China, and also to go on with aggression in South China. Fukien is meeting the same fate as North China had met before. (In this article, the writer purposely omits discussing the the "autonomous movement," sponsored and agitated by the Japanese in the Province of Fukien, which has been so much discussed in *The Review* before.)

The First "Opposite Shore" Conference

Sometime in the summer of 1934, an unprecedented and big maneuver was held in Formosa, costing no less than Yen 180,000 from the Japanese Formosan treasury and participated by no less than 50,000 people, including army and air forces, heavy artillery division, anti-air gun division, members of the Youth Association, members of the National Defence Association, and students, the imaginary enemy being America. According to the report it was purely with a view to evolving a plan for Japanese control of the Province of Fukien, to form a "Japanese naval base," and a Japanese "outer line of defence in the Pacific," that the Japanese naval authorities and the Governor-General of Formosa decided to hold the so-called "Opposite Shore Conference." (Fukien is situated just opposite Formosa.) Begining from 1934, it was decided to hold such a conference once a year in the autumn. This conference is to be called in session by the Governor-General of Formosa, which will be attended by the Japanese consul-generals and consuls in South China, and Japanese military and naval attaches in China, to discuss the policy towards South China, particularly the Province of Fukien.

The first conference of this kind was held in the Formosan Governor-General's Office in the capital city of Formosa on July 18, 1934. The Governor-General was the chairman of the conference. The conference was participated in by the Japanese consuls in Amoy, Foochow, Swatow, Canton, Hongkong; the Directors of the Bureau of civil affairs, police affairs, cultural affairs, colonial affairs of the Formosan government; and the delegates appointed by the Tokyo Foreign Office, Colonial Office and the Japanese legation in China. The conference lasted three days. A review of the agenda of the conference will reveal to us that the discussion was of most comprehensive nature, including diplomatic, judicial, police, cultural, colonial, military and naval affairs. It is too long to reproduce the minutes of the conference, which were later released for publication by the Secretariat of the Governor-General in Formosa. But we may briefly sum up the results of the conference as follows:—

1. The "Outside Affairs (or foreign affairs) Section" of the Governor-General in Formosa should be re-established (probably the same office was abolished before) to" facilitate the Governor-General to handle diplomatic affairs".
2. Steps should be taken to enlarge the Japanese market in South China, particularly the Fukien market, which should be "monopolized by Japan."
3. The Formosans should be permitted to go freely to China to conduct economic observations. The influx of Chinese revolutionary thoughts to Formosa, and coming and out-going of the Forsomans, sympathetic with the Chinese, should be prevented.
4. Steps should be decided to carry out the "dumping" of Formosan coal in South China.
5. Practical steps should be taken to encourage immigration of the Formosan people to Fukien for reclamation purposes.

From the above, it will be seen that the policy of the first Opposite Shore Conference in South China was very aggressive. It aims not only to carry out the economic exploitation of South China, particularly the Province of Fukien, but to occupy Fukien and to use Fukien as the Japanese Asiatic military base.

"Economic Life Line of Imperial Japan"

On April 12, 1935, the Director of the General Affairs of the Governor-General Office in Formosa made the following significant statement:—

> "It is decided that the Formosa-Japan-Fukien air route should be opened on January 1, 1936, when it will be possible to go from one place to the other in six hours. As to other through traffic between Formosa and outside ports, it is planned to open the Formosa-North Sea and Formosa-Dairen routes, our idea being to pay due attention to South China. Since Sept. 18, 1931 (Japanese bombardment and occupation of the City of Mukden) our national policy has been to pay attention to the North-eastern Four Provinces and North China. But, hereafter, we should also pay due attention to South China. For this reason, the position of Formosa has become very important. So the Government decides to enlarge the organization of the Outside Affairs Section of the Governor-General in Formosa; and further, to establish more investigation organs to study the opening up of Malaya and South China."

On October 19, 1935, the Governor-General of Formosa called the first conference to discuss the investigation of "tropical products." An Association for Investigation of Tropical Products was organized, of which the Governor-General is president and the Director of the General Affairs the vice-president. No less than 47 influential leaders were appointed to serve as the committee-men, with 8 others as provisional members, and 29 secretaries. The conference was attended by the Japanese consuls in Foochow, Amoy, Hongkong, etc. According to the report, this was an important conference because it discussed and decided the "economic life line of Imperial Japan."

It may be pointed out that the conference emphasized very much the importance of conducting investigation works in South China and Malaya, aiming not only to find out the possibility of developing the trade relations between Formosa and these regions, but also to investigate the actions which other powers may have taken to develop the trade relations in these regions. Special emphasis is also made on the development of communication between Formosa and South China and Malaya.

"The Joint Conference"

After this conference of Oct. 19 to decide the "Economic Life Line of Imperial Japan," came many other important conferences, such the "Dairen Conference," "Shanghai Conference," "Tientsin Conference," and, the most important of all, the "Formosan Conference" where the Japanese consuls and Japanese military and naval attaches, in China, and Japanese military and naval authorities held a "joint conference" to discuss Japanese policy in South China. According to the report, "some important agreement was reached" at this important joint conference which decided the Japanese actions and activities in South China. So we conclude that while the Conference on discussion of the tropical products deals mostly with economic problems, the Joint Conference discussed mostly military problems. That is, while the former discussed the economic exploitation of South China, the latter discussed the Japanese military aggression in South China. According to the observations of some experts, the intention of Japanese militarists to effect control of the Province of Fukien is to open the way to extend their further influence into Central China through Fukien.

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Hsing Chung Company in North and Formosan Colonization Company in South

Since the organization of the Hirota cabinet, a "new policy" has been adopted, which may be stated inter alia as follows:—

1. Formerly, North Formosa was the political and economic center. But now, South Formosa should be the economic center, in order "to facilitate the development of trade with the South Pacific."
2. South Formosa should also be the communication center between Formosa and Mandated Islands.
3. The "Formosan colonization company" should be immediately formed.
4. Another "sister" company, known as "Malayan Colonization Company," should be established in the capital city of the Mandated Islands.
5. At the same time, the office of the Governor-General of Formosa should be enlarged, and the status of the Governor-General should be elevated to that of the Governor-General of Korea.

Like the Hsing Chung Company in North China, which is an organ of the S.M.R. Company, and which is an important organ to carry out the Japanese political and economic exploitation of North China, now in operation, for the Japanese militarists, the Formosan Colonization Company carries the same mission, which, according to reliable report, will be accomplished in "ten years." At first, the raising of sufficient capital (reported to be Yen 30,000,000) presented some difficulties. But now, according to report, the government will undertake to put up half of the capital. The other half will be raised by selling the unreclaimed land in Formosa. A "valuation commission" to investigate the value of the land to be sold has already been formed in Formosa by the Governor-General of Formosa. But according to another report, the Hsing Chung Company in North China is also "urged" to take not only "economic actions" in North China, but also in South China. The important undertaking of the Colonization Company is the development of agriculture, forestry and immigration. According to another report, the Formosan authorities will soon launch the "study-Chinese Movement" in Formosa. Their purpose is not to encourge the Formosans to study the Chinese lauguage, but rather to make the Formosans know and speak better Chinese, so that there will be no difficulty in mingling them with the Chinese in Kwangtung, Kwangsi and Fukien.

That is, both in North and South China, the Japanese militarists have their respective organs to carry out their aggressive policy to effect control of the Chinese provinces, militarily, politically and economically.

Nanking, May 22, 1936.

Peiping Student Released on Bail After Three Month's Detention

Kiang Tze-yuan, a student in the department of Political Science at the National University of Peiping, was released on bail May 24 after more than three months' detention in the military prion of the headquarters of the Pacification Commissioner of Hopei and Chahar. It was suspected at the time of his arrest that he was a radical, but repeated questioning by the military authorities showed this suspicion to be unfounded.

The *National Salvation Bulletin* on May 17, contained a letter, sent to General Sung Cheh-yuan, chairman of the Hopei and Chahar Political Affairs Council, by the Students Union in Peiping, of which the following is an extract:—"You are quite mistaken to think that the Peiping Students' Union is an illegal organization. Do you think that we want to create trouble when we can peacefully enjoy our college life? The Japanese have intensified their invasion, which will eventually put our of existence. Do you think that we can still enjoy our happy family and college life after our country had been taken over by the enemy? We demand, therefore, that, for the existence of the Chinese people, you should follow the example of the Abyssinian King and lead us in a decisive battle with our foe."

Japanese Protest Students' Movement in Peiping

Undaunted by the forcible action taken by the Peiping authorities to suppress the student movement, the Students in North China have secretly resumed and intensified their activities in opposition to the conclusion of the recent Sino-Japanese joint Anti-Red Pact. The Japanese, in a protest lodged with the Chinese authorities, asked the latter to keep a close watch on the situation.

9,622 Chinese College Graduates (1933-34) Are Unemployed

The Ministry of Education reported last week that of 18,287 graduates from 106 colleges and universities in China for the years of 1933 and 1934, 9,622 are still unemployed. Of the total 18,287, the statistics reveal, 5,321 majored in natural science, agriculture, engineering and medicine while 12,969 majored in liberal arts, law, business and education.

General Chiang Addresses Student Cadets in Nanking

General Chiang Kai-shek May 24 addressed a group of 10,000 middle schools who have been undergoing strict military training during the past months in the concentration camps in Soochow, Chinkiang and Nanking.

Lanchow Competes with Sian for University Location

The people in Lanchow, are agitating for the establishment of the projected Northwestern University in Lanchow instead of Sian as originally decided by the Government.

Much-Amended Bill Suppressing Circulation of Seditious Literature Passed by Japanese Diet

Despite vehement opposition by minor parties and independents, the Japanese Lower House May 25 passed a much-amended government bill for the suppression of the circulation of seditious literature. By this action, observers stated the Cabinet had assured the approval by the Diet of all Government-sponsored bills introduced in this session, with the exception of a measure for the protection of national mobilization secrets. Both the seditious literature and secrets protection bills met with strong opposition from all political parties who saw in them possible additional curbs on free speech and the liberty of the press. Governmental insistence that the suppression of the surreptitious circulation of seditious literature was a prerequisite for the projected purge of the Army, succeeded in winning the approval of the two major parties to the enactment of the publichtions bill.

The bill for the maintenance of secrecy on the national mobilization plans, did not receive the Diet's approval. High officials of the War Ministry, however, have made it clear that the measure will be re-introduced at the 70th session of the Diet, next December.

In a joint resolution introduced in the House of Representatives May 23 all the parties of the Chamber united in calling for a re-organization of the Diet. The measure was regarded as a direct offshoot of a resolution adopted by the House on May 21, in response to the Imperial rescript opening the current session of the Diet on May 4.

Noting that the Diet exists by virtue of a Constitutiona provision, the resolution declared that the parliamentary system cannot be fundamentally altered. Under present regulations, however, the measure stated, there are several incoveniences that should be corrected, among them. Opening of the yearly regular session of the Diet should be in November instead of in December as at present; the altering of the term of the fiscal year, from April to March the following year, as it is now, so that it will run from July of one year to July of the succeeding, one. This it is held will be of benefit in case the Lower House in dissolved; and establishment of a permanent commission, which would be constantly in session, so as to maintain a form of co-ordination from one Diet session to another. The resolution was then put to a vote and passed by a large majority despite continued boos from the left benches.

Japanese House Passes Reform Resolution

With only one dissenting vote, the Lower House May 21 passed a resolution voicing its determination to enforce discipline, safeguard constitutional government and secure administrative reforms, in response to the wishes expressed in the Imperial Rescript of May 4.

House Passes Amended Workers' Bill to Accompaniment of Yells and Shouts

To the accompaniment of yells and shouts, necessitating the use of guards to restore order, the Tokyo House of Representatives May 24 passed the amended version of the Government bill establishing a superannuation fund and retirement allowance sfor factory workers. The "workers'" bill, as it was named by its supporters in the Lower Chamber, was immediately forwarded to the Upper House for action.

Both Chambers struggled with the superannuation fund bill during most of the day, with the Government being subjected to a withering fire in the Lower House for various alleged flaws in the wording of the measure.

Members of the proletarian Social Masses party and the nationalist Kokumin Domei followed each other one the rostrum, with bitter criticisms of the Government's failure to ensure workers' welfare.

Lively scenes in which normally-dignified parliamentarians heaped abuse upon each other across a wall of stalwart, uniformed guards were witnessed in the Japanese Lower House May 23 during the closing hours the Sixty-Ninth Extraordinary Session of the Diet. Premier Hirota had secured an Imperial Ordinance extending the session for 24 hours so as to clear up unfinished business, and this was later extended by another 48 hours. The near-fracas involved members of the Seiyukai, second largest group in the House of Representatives, and those of the emergetic Social Masses' Party, only proletarian faction represented. It revolved around a resolution demanding that the Government take steps to revise the new Electoral Law under which the present members were returned. Introducing the measure, Ryozo Makino of the Seiyukai, pointed out that while the present statute had removed most habitual offenders, because of its provision drastically cutting down authorized campaign expenses, the manner in which the authorities had enforced the law had led to many violations of individual liberties. He cited instances of what he described as "official terrorism" and urged the reconsideration by judicial officials, in their alleged practice of acting on anonymous information, "for the sake of Justice." He was vigorously applauded.

When in conclusion, Mr. Makino declared that he was "not denouncing this infamous Government," because he felt that the House "should co-operate with the Government in surmounting the present crisis in keeping with the terms of the Imperial Rescript granted at the opening of the Diet," he was vigorously heckled by the proletarians.

As Seion Kawamata, (Social Masses') sought to oppose the resolution from the platform, bedlam broke loose. Guards rushed to the aisle separating the Seiyukai and Social Masses' benches to halt an impending free-for-all.

Discussion of Politics by Soldiers Is Deprecated by Speakers in Lower House

Discussion of current political issues by soldiers in active service was again deprecated in the Lower House May 22 by several speakers. Binsho Kurahara of the Kokumin Domei declared that the soldiers who wish to deal with political issues should withdraw from the Army, adding that the circulation of seditious literature might have been caused by the military meddling in politics, "especially noticeable since the Manchurian incident of 1931."

Change in War Office Regulations Strengthens Status of War Minister

The Tokyo *Asahi* May 18 stated that because of the change of War Office official regulations promulgated on said date the choice of War Ministers in the future will be limited to the group of Generals and Lieutenant-Generals in active service; also the regulation in force since 1913, making Generals and Lieutenant-Generals in the first and second reserves also eligible to the War Minister's post, will lose force. The changes will remove the possibility of the Government choosing a new War Minister from among the Generals and Lieutenant-Generals in the first and second reserves and taking action in disregard of the views of the Army. In this sense the status of the War Minister in the Cabinet will be raised through the change in regulations.

The *Asahi* commented that in these days, especially after the February 26 Incident, the War Minister as the central figure in the Army must be in a position where he has to bear the political aspirations of the entire Army and have them realized through the Cabinet. In such an important position no generals or lieutenant-generals in the reserves, detached from the system of order and obedience, can be expected to function well in the War Minister's post. Hence, the change in regulations.

Tokyo Government Is Considering Lifting of Martial Law

Subjected to a barrage of questions, two high Government officials May 21 admitted in the Lower House that the Cabinet was considering a request for the issuance of an urgent Imperial Ordinance lifting martial law in the capital and its suburbs.

Outer Mongols to Study in Tokyo

Four Outer Mongolian youths, ranging in age from 11 to 18, arrived in Tokyo May 20 to enter schools in the Japanese capital.

South Africa Sends Economic Mission to Japan

Tne Government of the Union of South Africa has decided to send an economic mission to Japan. The group, which is to be headed by the Union's Minister of Commerce, is expected to arrive in Tokyo end of this week.

Japanese Concern to Make 30,000 Automobiles Annually

Following the breakdown of negotiations for the acquisition of the Japanese plant of the General Motors Corporation by the Japan Industry Company, Ltd., officials the latter May 23 revealed plans for expanding its factory in Yokohama to permit an annual production of 30,000 automobiles.

Japanese Launch Super-Ferry for Shimonoseki-Fusan Route

Designed to accomodate 1,090 passengers—the largest number of any Japanese vessel—the new super-ferry *Kongo Maru* was launched at the Mitsubishi Dockyards in Nagasaki May 24. The vessel, one of two sister ships, will ply between Fusan, Korea, and Shimonoseki. When completed in October, she is expected to develop 23 knots.

In case of war on the Asiatic continent this Fusan-Shimonoseki route will carry most of the Japanese troops and in building of these large and speedy vessels the Japanese undoubtedly have this point in mind.

Japanese Official to Investigate Industrial Conditions on Mainland

Kuninosuke Fujita, an official of the Cabinet Bureau of Investigation, May 26 was ordered on a month's tour of Korea, the Kwantung Leased Territory and Manchukuo to study Industrial conditions.

Near East Trade Group to Make Five-Months Tour of Japan

Twenty-four representatives of leading trading firms in Syria, Palestine, Egypt, Kenya and other Near-East and African countries arrived in Japan May 26 on a five-month buying tour of Japan.

North China to Have New Japanese Smuggling Company

A Tientsin message to the *Sin Wen Pao* May 20 stated that with the cooperation of the Mitsubishi Shoji Kaisha, Ltd. and the Mitsui Bussan Kaisha, Ltd., the Japanese smugglers are planning to organize a big smuggling company in North China, according to most reliable sources.

Outline of Japan's Southward Policy

As a result of interpellations in the Diet regarding the Formosa Development Company Bill, which would be an organ for enforcement of Japan's southward policy, an outline of Japan's southward development policy has been revealed. The Japanese Government contends that it has no territorial ambition in its southward advance but limits her operations strictly to economic peace work. In view of the fact that the Dutch East Indies and Australia are extremely apprehenisve of Japan's southward advance, the Japanese Government (according to the *Hochi*) desires to have the full co-operation of the entire people of Japan and the Government itself will make its best endeavor so that this state policy of Japan may be enforced smoothly without misunderstanding between Japan and other countries concerned.

British Advisor to Japanese Government Receives Additional Decoration

Dr. Thomas Baty, for the last 20 year legal advisor to the Japanese Foreign office, was promoted to the Second Rank of the Order of the Sacred Treasure, with cordon, in recognition of his valuable services, the Imperial Household Department announced in Tokyo May 25. The insignia were transmitted to him through the Foreign Office two days previously. Dr. Baty was a close personal friend of Sir John Simon, former British Foreign Minister and drafted Japan's legal defense in the Manchurian case, claiming Japan had acted on the defensive, hence there had been no violation of Kellogg Pact or Nine-Power treaty.

Commissioner Murphy Received in Audience by Japanese Emperor

Frank Murphy, American High Commissioner in the Philippines, while passing through Tokyo May 22 declined to discuss the Filipino reaction to plans for a Japanese southward policy of economic expansion. He said he was not at liberty to discuss such a subject. Mr. Murphy reiterated his belief that the question of land leases held by Japanese in Davao, Mindanao Island, P.I. would be amicably solved by the Japanese and Filipino authorities in spite of a few delays and obstacles. Accompanied by Joseph C. Grew, American Ambassador to Japan, the High Commissioner was received in audience in the Phoenix Room by the Emperor. He also called on Premier Hirota and Mr. Arita, the Foreign Minister.

Peiping Cotton Mill Goes Into Hands of Trust Company

Control of the Peiyang Cotton Mill, one of the largest of its kind in Tientsin, the liquidation of which was recently completed, will pass into the hands of the Chengfu Trust Company, according to a decision reached at a meeting of the shareholders of the mill last week.

Negotiations are under way for the sale of the Chinese owned Pao Cheng Cotton Mill in Tientsin to Japanese interests. The Pao Cheng Mill has been idle for sometime and is in debt amounting to $400,000.

Japanese Buy More Chinese Cotton Mills in North China

The Japanese textile interests, according to messages from Tientsin, are purchasing all the Chinese cotton mills in the northern city. Except the Hengyuan and Peiyang Cotton Mills, which are operated by the Chinese Chen Hsueh Company and the Hwa Hsin Cotton Mill, all the other Chinese mills are to be purchased by the Japanese.

Even the Hwa Hsin Cotton Mill, it is stated, is finding it very difficult to maintain its present status, as it is facing serious financial difficulties.

Ningpo Cotton Mill Suspends Operations—Tientsin Mill to Be Sold to Japanese

More than 2,000 workers were thrown out of work, when the management of the Ho Foong Cotton Mill in Ningpo decided to suspend operations May 20.

Work Proceeds on Central Machine Shop at Chenju

The $30,000,000 Central Machine Shop being built under the auspices of the Ministry of Industries is to be inaugurated sometime before the end of May next. The *Central News* says the plant, which is situated at Yinhsiang Village near Chenju, will start operations as soon as the installation of mechanical equipments is completed.

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Summer Term — 1936

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Full tuition including personal teacher Yuan	$ 75
Board and room in hostel per day	4
or per month	100

ACADEMIC CALENDAR

Opening of Summer Term	Monday, June 29, 1936
End of Summer Term	Friday, July 31, 1936
Opening of Autumn Term	Monday, Oct. 6, 1936
End of Autumn Term	Friday, Dec. 18, 1936

Apply to: W. B. PETTUS,
College of Chinese Studies, Peiping

Telegraphic address: Language, Peiping.

Judge Helmick Acquits Dr. Colbert of Poison Charge

The trial of Dr. John William Colbert, American doctor in Tientsin, which began in the U.S. Court for China, before Judge Milton J. Helmick, on charges of attempting to murder his wife by having administering poison with food, drink and medicine, came to a close this week. U.S. District Attorney Felthan Waston, assisted by A. R. Morrison, attorney at Tientsin, conducted the prosecution. The principal evidence for the prosecution was given by Dr. J. W. H. Grice, a British doctor, who described the symptoms of posioning which he noticed.

An admission that he was married four times, not three, as he had stated before the trial, was made by Dr. Colbert May 20. Cross-examined, Dr. Colbert admitted that, during his interrogation by the United States District Attorney, Felthan Watson, on Dec. 28, he stated he was married three times, his first wife being Clare Cutts, to whom he was wed in 1913. Actually, however, he had been married before then, his first wife having been Eleanor Bates, to whom he was wed in 1905.

Dr. Colbert denied that the omission was due to fear of an enquiry into the circumstances of his first marriage, which, he said, had been an unhappy and very unfortunate one. It had ended in divorce, and there had been no issue. He denied that he had a daughter named Beatrice from the union.

Dr. Colbert said he had no differences with his first wife over his relations with other women. He denied that there had been any scandal, but admitted he had won a libel action against a newspaper for certain statements. He denied going to California and bringing the first Mrs. Colbert back for the duration of the suit. He would be surprised if she had made a statement to this effect. His second marriage also ended in divorce. He denied that there had been trouble over alimony, but admitted that he had been threatened with a charge of contempt in this connection. He was still paying her U.S.$100 per month.

Regarding the third Mrs. Colbert, accused said she had suffered for a long time from gastric trouble. He gave her some medicine and summoned Dr. J. W. H. Grice (chief witness for the prosecution) before her removal to hospital. He (accused) administered strychnine to stimulate the heart when she was in hospital, when other doctors were not available.

Dr. Colbert denied having predicted her death before she went to hospital. He was unaware of the rumors that her death was not due to natural causes, and was also unaware that his brother-in-law had so stated. Accused admitted that he frequently saw his present wife when the third Mrs. Colbert was alive. It was absolutely untrue that the former Mrs. Colbert obiected and wanted to separate, and that he did not allow this. Dr. Colbert denied that relatives of the deceased had suggested that she was not suffering from gastric trouble.

Accused admitted that there was a similarity of blood pictures in cases of pernicious anaemia and blood poisoning. He also admitted that acetanelid produced similar changes to anaemia, and said he had discovered this when reading books in his office on the night after his arrest.

Dr. Colbert was questioned closely concerning his conversations with the nurses and his transactions in connection with the purchase of kepatex and ventriculin. He believed that a coolie had dropped a box, because it had originally contained eight ampoules, of which one was broken and another stained.

Accused did not report to his wife Dr. Grice's remark that she was taking too much aspirin compound because this diagnosis was "ridiculous." He ascribed the recovery of Mrs. Colbert in hospital to the treatment she was receiving. She was showing signs of recovery before her entry there, he added.

Asked to explain why he had stated that her condition was "rather hopeless" when he wrote to Dr. Grice on November 21, accused replied that this comment referred to her heart trouble, and he was worried when he wrote the letter.

He denied telling anyone that Mrs. Colbert was going to die. He admitted, however, that he had thought of the possibility of her getting up and dropping dead. Accused also admitted that the blood count taken in the German Hospital at Peiping on April 1 did not suggest pernicious anaemia.

Prosecution Asks for Heavy Sentence

The heaviest sentence possible for "this menace to society" was demanded by the prosecution May 23 when counsel summed up in the case. A. R. Morrison, conducting the prosecution with Felthan Watson, the United States District Attorney, delivered a lengthy address in which he suggested that the accused was determined to dispose of his wife in order to pursue an amatory adventure unhindered, and without adding to the alimony he was paying to his second wife. With this object in view, Mr. Morrison continued, accused had decided upon a method of poisoning which produced symptoms simulating certain ailments.

Counsel commented severely on the conduct of accused after his arrest and during his trial, and upon his failure to call Miss Grace Thomas (a teacher in the American school, who, according to Mrs. Colbert, was a constant—and welcome—visitor to their house, and a friend whose association with her husband had never aroused any objection on her part).

Accused, said counsel, had in the space of three months bought over 5,000 grains of acetanelide and a further quantity in the form of tablets, making 880 doses in all. Dr. Colbert, he said, had violated three of the most sacred trusts; the trust between a husband and wife; a doctor and patient; and a doctor and his colleagues.

One of the strong points made by defense counsel (B. C. Eastham of Tientsin) was that if it had been the intention of accused to murder his wife, to predict her death to others would be the last thing that he would have done.

Court Orders Discharge

Judge Helmick rendered a decision May 26 dsicharging Dr. Colbert. In coming to this decision, the Court stated that it did so with some misgivings, but it realized that if an infallible decision cannot be reached the law holds it better to make a mistake in favor of the accused than against him. In the course of his decision Judge Helmick said that the facts adduced fully justified the action of Dr. Grice—chief witness for the prosecution—and the authorities in bringing the defendant to trial and forcing a complete disclosure of the circumstances. The offence charged, he proceeded, was very difficult to prove, and in addition, the unusual circumstance of the supposed victim and her mother vigorously supporting the defendant shut off channels of evidence which otherwise might have been available to the Government. After an exhaustive consideration of the evidence, the Judge declared, the Court entertains a strong suspicion of the guilt of the defendant, but, in the unenviable position of sole juror the Court is unable to say that it is satisfied that the guilt is beyond reasonable doubt. The defendant, who unethically persisted in treating his wife in a most unsatisfactory manner, cannot complain that he has been brought to answer in a criminal court when the treatment presented suspicious features. Doubts in the Court's mind, the Judge added, center partly on the lack of a substantial motive and the comparatively harmless character of the drug involved. "With some misgivings," the Judge concluded, "but realizing that if an infalliable decision cannot be reached the law holds it better to make a mistake in favor of the accused than against him, the Court orders the discharge of the defendant."

Correct Translation of Tangku Truce Agreemnt

On page 416 of last week's issue of The Review an incomplete version of the Tangku Truce Agreement was published. The version given below is correct, as supplied by the Kuo Min News Agency.

The translation of the Agreement is as follows:—

Having accepted on the 25th day of May, 1933, the proposal for the termination of hostilities made by Lieutenant-General Hsiung Pin, Chief of Staff to the Peiping Branch Military Council under authorisation from General Ho Ying-chin, Chairman of the said Council,

General Nobuyoshi Muto, Commander-in-Chief of the Kwantung Army, has authorized Major-General Neji Okamura, Chief of the Kwantung Army, to sign as representative of the Kwantung Army with Lieutenant-General Hsiung Pin, the representative of the Chinese Army in North China, duly authorized by General Ho Ying-chin, the following Truce Agreement:

1.—The Chinese Army shall immediately withdraw to the regions west and south of the line from Yenching to Changping, Kaoliyung-Sunyi-Tungchow-Hsiangho-Paoti - Lintingkow - Mingho and-Lutai, and undertakes not to advance beyond that line and to avoid any provocation of hostilities.

2.—The Japanese Army may at any time use aeroplanes or other means to verify the carrying out of the above Article. The Chinese authorities shall afford them protection and facilities for such purpose.

3.—The Japanese Army after ascertaining the withdrawal of the Chinese Army to the line stated in Article 1 undertakes not to cross the said line and not to continue to attack the Chinese troops and shall voluntarily withdraw to the Great Wall.

4.—In the regions to the south of the Great Wall and to the north and east of the line as defined in Article 1 the maintenance of peace and order shall be undertaken by the Chinese police force. The said police force shall not be constituted by armed units hostile to Japanese feelings.

5.—The present Agreement shall come into effect upon its signature.

In faith whereof the two representatives have signed the present Agreement and affixed thereto their seals.

(Signed) Neji Okamura, representative of Kwantung Army.

(Signed) Hsiung Pin, representative of the Chinese Army in North China. May 31, 1933.

DECLARATION.—In case there shall be in the demilitarized zone armed units disturbing peace and order which the police force shall be unable to cope with, the situation will be dealt with by common accord between the two parties.

(Signed) Neji Okamura, representative of the Kwantung Army.

(Signed) Hsiung Pin, representative of the Chinese Army in North China, May 31, 1933.

Foreign Investors, Including French, Withdraw from Manchuria

Gradual withdrawal of foreign investments in the new Empire since the Manchurian Incident of 1931 has been revealed as a result of an investigation undertaken by the Kwantung Army, the *Kokutsu News Agency* reported from Dairen May 25. The total foreign funds invested in Manchuria at the end of 1930 reached Yen 672,-200,000, of which Yen 590,000,000 represented Soviet interests. British investors' share totalled Yen 33,000,000; American, Yen 26,000,000; French, Yen 22,000,000; and Swedish and Danish, Yen 1,200,000. The Soviet Government drastically cut its investments in Manchukuo through the transfer of its share of the North Manchuria Railway Company to Manchukuo. This had led to the closure of a number of foreign banks, the investigation revealed.

Foreign enterprises which have already or are making preparations to withdraw from Manchukuo include the Mukden branch of the National City Bank of New York, the Siemens-Schuckert Company, the Skoda works, and the American and British oil companies.

The pressure has become so strong that even the French financiers who about a year ago had made extensive plans for investments in Manchuria have decided to give up the idea. Confirmation of this fact was contained in a special dispatch from Dairen to the Tokyo *Nichi Nichi* May 21 to the effect that the Franco-Japanese Far East Enterprise Co. is being dissolved.

A.P.C. Winds Up Its Mukden Business

The Asiatic Petroleum Company May 22 wound up its business in Mukden, following the recent closure of its local office. The two other major foreign oil concerns, the Texas Oil Company and the Standard Vacuum Oil Company, had already withdrawn following the promulgation of the Oil Monopoly Law by the Hsinking Government on April 16, 1935.

Manchukuo Trade Official to Leave for Berlin Post

Hiyoshi Kato, the newly appointed Manchukuo trade representative in Germany, will leave Hsinking on June 20 for Berlin by way of Siberia. He will be accompanied by two secretaries and two chancellors. His appointment was decided upon as a result of the recent conclusion of a German-Manchukuo commercial agreement.

Tribulations of Missionaries in Manchuria Disclosed in Scottish Foreign Mission Report

The difficult position of Chinese Christians in Manchuria was emphasized by the Rev. Dr. C. W. Taylor May 21 in presenting the foreign mission report to the General Assembly of the Church of Scotland at Edinburgh. Serious events, he said, had been happening in Manchuria. Added to the depredations of bandits came the most terrible experience since the occupation of the land by the Japanese. Behind the short paragraphs in the press, he declared, lay a heart-rending story of Chinese Christians, many of them men of high attainments—pastors and teachers of Mukden College—being subjected to persecution, imprisonment and torture following charges which proved to be baseless. The report stressed the need for more missionaries.

S.M.R. Operates Bus Lines in North China

The South Manchuria Railway Company has organized the North China Long Distance Bus and Transportation Company. It will operate seven bus lines, including the one connecting Peiping and Kalgan.

S. M. R. Profit Hits Highest Level Since Establishment

Profits of the South Manchuria Railway Co., during the 1935-36 fiscal year, were the largest in the history of the firm, established in 1907. Totalling Yen 49,600,000, they were Yen 3,000,000 above the amount for the preceding year.

S.M.R. Production of Shale Oil to Be Gradually Increased

The *Tokyo Asahi* May 17 stated that the Fushun shale oil enterprise of the South Manchuria Railway Company produced its first articles in April and since May 1 they have been sold by monopoly as the first gasoline produced in Manchuria, along with the petroleum articles produced by the Manchukuo general monopoly bureau. The production is to be increased gradually.

First Division Troops Proceed to Manchuria to Relieve Second Division

Prince Chichibu, who had once served with the Azabu Regiment, May 22 presented a cask of "sake" to Col. Masao Yuasa, its Commander, prior to the departure of the unit for service in Manchukuo. The Prince is now serving with the 31st Regiment of the Hirosaki Division. The Azabu Regiment and the Second Brigade, commanded by Major-Gen. Kameharu Seki, left for North Manchuria to the cheers of thousands who lined the streets leading to the Shibuya and Shinagawa railways stations. Both units belong to the First Division, ordered to Manchuria to relieve the Third Division, which has already returned to Japan after completing its term of duty on the continent.

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Ministry of Industry Says Monopoly of Wood Oil Not Contemplated

Reports of a possible government wood oil monopoly being introduced, which have demoralized the market throughout the Yangtse Valley and caused speculators and dealers to sell with heavy losses, were described as inaccurate by a spokesman of the Ministry of Industries in Nanking May 23. Private firms, it was stated, are entirely free to engage in the purchase and sale of wood oil, now as previously.

Engineering Association Studies Paper Plant Scheme

The draft plans for the construction of a paper mill at Wenchi, Chekiang, have been referred to the China Engineers Association for study.

Chekiang to Open Agricultural Machinery Plant

In an attempt to manufacture agricultural machinery for the farmers of the province, the Chekiang Provincial Government has decided to open an Agricultural Machinery Plant. Negotiations are proceeding with the Shanghai banks for a loan of $1,000,000 to build the plant.

Foreign and Chinese Experts Collaborate for Development of Whampoa Port

M. Bourdrez, conservancy expert of the National Economic Council, and M. Coursin, road expert from the League of Nations, accompanied by Tan Pao-tai, engineer of the N.E.C., arrived in Canton May 17 from Nanking via Shanghai.

Hunan Provincial Commissioner Suggests Establishing of Rice Granary

In view of the fact that train service on the entire length of the Canton-Hankow Railway will soon be in operation, Yu Chi-chuan, Provincial Commissioner of Reconstruction for Hunan, has telegraphed to the Ministry of Industry, requesting the establishment of a National Rice Granary at Hunan, in order to facilitate transportation and regulate food supply.

Gen. Han Fu-chu Inspects Yellow River Delta

General Han Fu-chu, Chairman of the Shantung Provincia Government, and Kung Haiang-yung, Chairman of the Yellow River Conservancy Board, proceeded to Litsin, near the northeastern coast of Shantung, this week. The purpose of their trip is to inspect the delta of the Yellow River as a preliminary to the institution of dredging operations to facilitate the smooth flow of the waters into the sea.

Experts Commission Organized by Ministry of Industry

With a view to systematizing research and planning work of the Ministry, an Experts Commission has been organized by the Ministry of Industries under the chairmanship of Minister Wu Ting-chang. The new Commission takes the place of the group of experts formerly generally attached to the Ministry without definite duties assigned to them. The posts of experts were abolished shortly after Mr. Wu assumed the ministership.

Transport of Hunan Rice Over Canton-Hankow Railway Is Planned

With the completion of the Canton-Hankow Railway, plans are being made for direct transport of Hunan rice to Kwangtung, so as to take the place of foreign imported rice.

Agreement Signed for £1,100,000 Loan for Shanghai-Hangchow-Ningpo Line

The Ministry of Railways, under the authority of the National Government, has signed an agreement for the issue of six percent Shanghai-Hangchow-Ningpo Railway Completion Loan of £1,100,000 with a syndicate composed of the British and Chinese Corporation and the China Development Finance Corporation.

Remaining Section of Hangchow Railway to Be Built

Construction work on the remaining sector of the Shanghai-Hangchow-Ningpo Railway between the Tsaongo River and Zahkou, about 79 kilometres in length, will commence as soon as the Chientang River Bridge is completed in the latter part of this yaer. Six million dollars will be required for the work.

Dr. H. H. Kung, Minister of Finance, and T. V. Soong, chairman of the board of directors of the Bank of China, visited Zakow last Sunday where the railway bridge is under construction over the Chientang River on the Shanghai-Hangchow-Ningpo line. Dr. Kung also conferred with General Huang Shao-hsiung, the Governor of Chekiang province.

M. Coursin, League Expert, Makes Tour of Kwangsi to Inspect Highways

M. Coursin, League of Nations Technical Adviser to the National Economic Council, departed from Canton May 25 for Kwangsi by plane to inspect highway conditions in that province.

Hanchung-Paiho Highway in Shensi

A sum of $300,000 has been appropriated by the Shensi provincial government as a part of the expenses for the construction of the 160-mile highway linking Nanchung in southwestern Shensi with Paiho on the Shensi-Hupeh border.

N. E. C. Standing Committee Approves Economic Reconstruction Estimates

Under the chairmanship of General Chiang Kai-shek, the 14th meeting of the Standing Committee of the National Economic Council was held in Nanking May 22. Among those present were Dr. H. H. Kung and T. V. Soong, members of the Standing Committee, and Chin Fen, Secretary-General of the N.E.C.

Among the resolutions submitted and approved were :

The estimates for economic reconstruction during the 23rd fiscal year (July 1, 1934-June 30, 1935), which have been revised in several respects, have been approved by the National Government, and forwarded by the latter to the Ministries of Finance and Audit, through the Executive and Control Yuans respectively, for record.

The supplementary budgets for the 21st, 22nd, and 23rd fiscal years, revised to include the expenses for dyke-work in Hupeh (from December 1932 to the end of June 1935) have been completed, and submitted to the Central authorities for approval.

The supplementary budget covering the receipts from the Tientsin-Pukow Railway and Customs surcharges for the conservancy of the Hai Ho, handled by the National Economic Council, for the 23rd fiscal year (July 1, 1934-June 30, 1935) has been submitted to the Central authorities for approval.

The supplementary estimates for dyke repairs along the Yellow and Yangtsze Rivers during the 24th fiscal year (July 1, 1935-June 30, 1936) have been submitted to the Central authorities for approval.

In accordance with the petition of the Cooperative Affairs Commission (*Ho-Tso Shih-Yeh Wei-Yuan-Hui*), the meeting decided to authorize the Commission to take over all matters relating to cooperative enterprises hitherto attended to by the Council.

A set of simplified regulations governing the disposal of reconstruction funds of the Council, through the Nanking Branch of the Central Bank of China, was adopted.

Visitor from Utah Praises Work of N.E.C.—Says U.S. and China Problems Similar

Giving high praise to the National Economic Council, W. R. Wallace, former member of the Democratic National Committee and long a member of the State Planning Board of Utah, and an expert in resource development projects, stated in Shanghai May 23 that he feels the work being done in China is being handled in the most credit manner. He added that the work under way in this country is similar in many ways to that which is being furthered in the United States under the administration of President Roosevelt.

Europe-Chinese Barter Session Held in Brussels

Conversations have reportedly started in Brussels among various European industrial and financial interests, preparatory to the opening of negotiations, heralded for the near future, with representatives of several Chinese provinces for the purpose of developing barter transactions, whereby Chinese timber, minerals and oleaginous products would be exchanged for engines, railway equipment and farm implements.

Economic Cooperation Sought by Kiangsi and Chekiang on Barter Basis

The *Central News* agency reports that here in China economic cooperation in the form of barter, whereby native products of both provinces will be freely exchanged, is being sought by Kiangsi and Chekiang. The idea of cementing closer economic cooperation between Kiangsi and Chekiang, it is stated, was first advanced by General Hsiung Shih-hui, Chairman of the Chekiang-Kiangsi Railway last January. Repeated negotiations have since been carried on between the Kiangsi and Chekiang Provincial Governments.

Annual Meeting of China Textile Association Held in Hankow

The sixth annual meeting of the China Textile Association was held Hankow May 21 with the attendance of over 100 members from all parts of China. It was presided over by Chu Hsien-fang, president of the Association. The next annual meeting of the Association will be held at Taiyuan, capital city of Shansi province.

Boston Department Store Magnate Denounces American Chamber and Resigns

Edward A. Filene, Boston department store magnate and one of the organizers of the United States Chamber of Commerce, resigned from the organization May 24, alleging that it had become a "potent center of reaction and the tool of special interests." It may be noted in this connection that the American Chamber in Shanghai is a member of the U. S. Chamber of Commerce, the field secretary for which, Charles R. Rose, is at present in Shanghai to make a survey of local business conditions. He came here from the Philippines, will stay here about three months, and then proceed to Japan to carry on similar work there.

Soviets Decline to Reveal Power of Far Eastern Fleet

In an article published in Moscow *Izvestia* May 24 Karl Radek stated that an agreement on the naval negotiations between Great Britain and the Soviet is dependent upon two factors, viz. Germany agreeing to conclude a similar treaty with Britain and a reservation in regard to the Far East. The second point, he says, is that pending the conclusion of a naval armaments limitation agreement with Japan, for which the Soviet Union has been striving, but so far without success, Russia cannot bind herself either to qualitative limitation of her Far Eastern fleet or to communicate information concerning her naval forces in Far Eastern waters.

Gaimusho Comments on Radek's Article

A denial that Japan has ever been approached by Soviet Russia with a proposal for the conclusion of a naval agreement was issued on Tokyo May 23 by a spokesman of the Foreign Office, commenting on Karl Radek's article in the *Izvestia*. "Soviet Russia," said the spokesman of the Foreign Office, "is and always has enjoyed a free hand in naval affairs in the Far East."

He added humorously that Mr. Radek had perhaps confused the so-called naval agreement, which Russia had assertedly sought with Tokyo, with the Soviet-Japanese conversations of some time ago regarding crab fishing boats in northern waters.

Soviets Consider Reforms Based on Swiss Constitution?

Reforms, modelled after the Swiss republican constitution, and providing for a parliament consisting of two assemblies, are being seriously considered by the Soviet Government, according to unconfirmed reports in Moscow circulated by *Havas*. It is further learned that the Marxist slogan "Proletarians of all countries unite" will henceforth be stricken from emblems.

Fishery Agreement Signed in Moscow

A provisional agreement, extending the operation of the Soviet-Japanese Fishery Convention until the end of this year, was signed in Moscow May 25 by Tamekichi Ohta, Japanese Ambassador to Russia, and B. S. Stomoniakoff, Vice-Commissar for Foreign Affairs. The Convention, for whose revision negotiations have been in progress for nearly 18 months, expired on May 27.

Japan Rejects Soviet Protest

Instructions vigorously to reject the Soviet protest of May 22 against the arrest of Japanese employees of the U.S.S.R. Embassy in Tokyo were issued by the Gaimusho to Tamekichi Ohta, Japanese Ambassador in Moscow, May 23.

In refuting the Soviet claim that the Japanese Government was assuming a discriminatory attitude against the Soviet Embassy, Mr. Ohta is understood to have been directed to point out that the action of the Moscow government was tantamount to interference with the internal affairs of Japan and highly impertinent.

Soviets Sentence "Dictator" of Wrangel Island to Death

The Supreme Court in Moscow May 24 sentenced to death M. Siemenchuk, Director of the Soviet polar station at Wrangel Island, on a charge of murder and political brigandage. It was alleged during the trial that Siemenchuk established a virtual dictatorship on the Island, illtreated scientific workers, starved Eskimos, several of whom died, and caused the murder of Dr. Wulfson, who protested against his treatment of the natives. Wrangel Island lies off the northeast coast of Siberia, and consists mainly of bare rocks which rise to a height of 2,000 ft.

Soviet Republic of Georgia to Be Formed

The creation of a Soviet Republic of Georgia has been decided by the Moscow Government, as part of the recently announced constitutional reforms in the U.S.S.R.

Soviets Become More Liberal in Religious Matters

A special commission in Soviet Russia has turned over some of the churches in the larger cities to religious elements, in order to facilitate religious observances in the near future. In other districts, the return of church bells is proposed.

Soviet Attache Temporarily Delayed in Landing in U.S.—Allegedly Refused to Answer Questions

Immigration officers in San Francisco May 20 refused entrance to the United States to Jacques Grossman, an attache of the Soviet Union's Foreign Commissariat, on the grounds that he refused to answer whether he believed in the American form of government or whether he would attempt to destroy it. The Soviet Ambassador attributed the difficulty to Mr. Grossman's poor command of English. Later Mr. Grossman was allowed to land provisionally pending final decision on the affair.

India Denounces Ottawa Agreement

India's decision to denounce the Ottawa Trade Agreement was conveyed to the British Board of Trade on May 13. Under the terms of the agreement, the Indian Government's withdrawal will become effective on Nov. 13.

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In the United States Court for China

In re. LAST WILL AND TESTAMENT of LEONARD EVERETT. Deceased	Cause No. 4057 Special Proceedings No. 1935 NOTICE Filed at Shanghai, China, April 30, 1936. WILLIAM T. COLLINS Clerk

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of LEONARD EVERETT, deceased, to present the same with vouchers to the undersigned on or before November 9, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

REBECCA NOURSE EVERETT,
534 Avenue Petain,
Shanghai, China.

Shanghai, China.
April 30, 1936.

Heroin Trade Flourishes in Shanghai District

The *North China Daily News* May 22 under the heading, "Heroin Racket Flourishing in Shanghai Area," noted an alarming increase in the use of heroin in Shanghai. The powerful drug, it was stated, is being sold at the lowest price ever, and it appeals to narcotic addicts also because of the ease with which it can be taken —no hypodermic syringe is necessary and the drug can be smoked, mixed with tobacco, in a simple manner defying detection.

The white powder may be procured by addicts in many Shanghai alleyways, and it is dispensed so quickly and furtively that it is well-nigh impossible for the various authorities to cope with the traffic. For a mere 20 cents a small amount of the drug can be purchased—usually mixed with caffeine. The pure preparation brings about $18-$20 an ounce, likewise a record low price. There are three ways in which heroin is used by addicts here. First, there is the old-fashioned injection by means of a hypodermic needle, in which case the drug is usually mixed with cocaine. Then there is the method of placing a small quantity of the white powder on a piece of tinfoil and heating it over a spirit-lamp or small gas-burner. The fumes are inhaled in order to produce the narcotic effect. The third manner is the easiest and the most popular with addicts: it is that of smoking the drug. An ordinary cigarette is picked up, a small amount of the tobacco is withdrawn at one end and heroin substituted. Then the cigarette is rolled gently, in the vertical position, until the drug is well mixed into the tobacco. The cigarette is finally smoked in the ordinary manner. In the case of Chinese users, the powder is frequently smoked in the common small-bowled pipe, where, mixed with tobacco, it attracts no more attention than in a cigarette.

Huge Imports of Narcotics into China—Mostly from Japan

Aceticanhydride sufficient to manufacture the world's legitimate requirements of heroin from thirty to sixtyfold was imported into China in 1935, said Mr. Fuller, the United States representative on the Opium Committee of the League of Nations, in a statement issued in Geneva May 20. Legitimate imports of this chemical, he declared, totalled 31,900 kilos of which 26,700 came from Japan. This total did not include the amounts entering China clandestinely.

There had also been manufacture of the chemical in Shanghai in 1935 by a plant with a potential output of 250,000 kilos a year, Mr. Fuller added. The legitimate commercial demand in China for aceticanhydride was almost non-existent.

Japan's leniency toward illegal drug traffickers was severely condemned in a report forwarded May 19 to the League Advisory Committee on Traffic in Opium and Other Dangerous Drugs by its Sub-Committee. The report contained data supplied by representatives of the United States and Canada, proving that large quantities of drugs had been imported in their countries from Japan.

The name and address of the principal Japanese drug exporter had been communicated to the Tokyo Government.

Japanese and Korean Drug Traffic Engages Attention of Hopei and Chahar Council

The serious drug traffic carried on by Japanese and Korean ronins in the North is engaging the careful attention of the authorities in Peiping. The Hopei and Chahar Political Council has entrusted its Foreign Affairs Committee with the task of suppressing the illegal traffic in co-operation with the district authorities concerned.

The Committee recently despatched two inspectors, accompanied by a group of Japanese policemen, to various places where drug traffic is said to be rampant to conduct investigations, and to report their findings.

A *Central News* message from Paoting May 26 stated that as a result of repeated negotiations between the Hopei-Chahar Political Council and the Japanese military authorities in North China, effective measures have been mapped out to suppress the traffic of narcotic drugs as carried on by Japanese and Korean ronins in Hopei and Chahar.

Four Square Miles of Poppies Discovered by Anti-Opium Officials in Szechuen

The startling discovery has been made in the Paohing district of Szechuen (stated the Chungking correspondent of the *North China Daily News* May 15) of a plot of land, about four square miles in area, which is covered with thousands and thousands of poppies. An enquiry was immediately commenced, when representatives of the 600 inhabitants of the district said that they had not received any instructions to cease growing these flowers, and had assumed that the area was beyond Government control.

General Chiang Kai-shek issued another circular order to the Provincial and Municipal authorities May 24, instructing that the registration of opium addicts be strictly enforced.

Drug Dealer Is Executed at Tienchiao

A drug dealer named Wang Ying-hai, who was arrested at the Chien Men Station last March, was executed at Tienchiao near Peiping May 18.

Railway Workers Must Assist in Suppressing Opium Traffic

A set of regulations by the Ministry of Railways governing joint responsibility of railway workers in suppressing the drug traffic was announced by the General Association of Opium-Suppression Commissions in Nanking May 21.

The Franco-Soviet Pact: An Interpretation

BY YEN-YING LU

HISTORY teaches us that international treaties have a peculiar inertia to lag behind the times. Even though the realities of the international order have been altered by new developments, a treaty with all its legal rigidity may still be instrumental in enforcing certain conditions that have been time-honored only through their breach. So many treaties have persisted until they are nullified by inexorable forces and the world is suddenly brought to a rude awakening and then it has to recognize that the old order passes beyond recall.

One of such anachronisms is the Versailles Treaty. It has penalized Germany with a status which may be the deserved lot of a defeated country but certainly has not been conducive to the realization of international justice and peace. It is a patent fact that for the past sixteen years Germany through passive resistance and evasion has been trying to throw off her exacting and humiliating bondage. Her struggles for the recovery of full sovereignty and equality, which took a decidedly militant turn with the announcement of her rearmament on March 16, 1935, culminated on March 7, 1936 in her military reoccupation of the Rhineland. It is no exaggeration to say that Europe has been startled and France terrified by such a rapid entry of German troops into a zone which has been demilitarized under the Versailles Treaty. Since then the scenes of the European diplomatic roundtable have moved fast in exchanging views and aligning forces for coping with the treaty breaker.

The demilitarization of the Rhineland—comprising the left bank of the Rhine and a 50 kilometer strip of the right bank, including the German industrial cities—is one of the conditions precisely stipulated in Arts. 42 and 43 of the Versailles Treaty, and reaffirmed by the Locarno Treaty, 1925. By despatching troops into this zone, Germany on legal grounds has virtually torn up the two aforementioned treaties. Any one who has kept track of the diplomatic events of Europe in recent years can quite readily see that the German action has pushed to the fore certain crucial questions upon the solution of which hinges the pacification of Europe. The main question is how to maintain the collective security which France has persisted in building up, but has been so radically undermined with the remilitarization of the Rhineland. Whether we should justify this action of Germany or not, it must be admitted that she has certainly been guilty of a unilateral repudiation of treaties. There is no doubt that this will make further efforts at the reconstruction of the European peace system all the more difficult and precarious.

The German high authorities have already publicly made known their case for reoccupying the Rhineland. As Chancellor Hitler and Herr von Ribbentrop had protested, the Versailles Treaty under which Germany was deprived of her territories and defences was really imposed upon her. The upshot of it all is that the sovereign rights of equality and self-defense of 67,000,000 people have been suppressed, while the other Powers have gone in for a reckless armament race, being thus prepared to prey upon their enemies. It is for the complete recovery of her national sovereignty that Germany had to reoccupy the Rhineland. Of course, she thereby has run foul of the Powers with whom she had signed the Locarno Treaty. But what of that? This treaty, being based on the Versailles Treaty, has been just as detrimental to German sovereignty. Its violation may be justified on account of Germany's adhering to the Versailles dispensation under duress.

Soviet-Russian Pact Gives Germany an Excuse

But one of the strong arguments with which Germany has clinched justification for her action in remilitarizing the Rhineland is that the Locarno Treaty has been virtually violated by France's negotiating with Soviet Russia the pact of mutual assistance. In the opinion of Chancellor Hitler and Herr von Ribbentrop, the pact is unnecessary for the maintenance of collective security. Because under the Locarno Treaty, of which both Germany and France are signatories, the two countries had already renounced the use of armed force in their dealings with one another. What the pact will accomplish is to bring together two States comprising 275,000,000 people, forming the most powerful military combine in the world. This means to all intents and purposes the reviving of the pre-War alliance, the military provisions of which must be directed against no other country than Germany. The pact marks the consummation of the traditional French policy of encircling Germany as the threatening or potential enemy. This menacing aspect of the pact is heightened by the Russian bugbear of world revolution, which has been looming larger than ever to Germany since the coming of the Franco-Soviet Pact. Besides through another pact with Czecho-Slovakia, Soviet Russia has indirectly advanced her position to the German eastern frontiers. Germany therefore maintains that the Franco-Soviet Pact is incompatible with the Locarno Treaty, and constitutes a serious menace to the collective security system. For self-defense she had to take time by the forelock and rushed troops to the Rhineland. Since France has already nullified the Locarno Treaty, why may not Germany excuse herself out of its obligations.

Now to question the compatibility of the Franco-Soviet Pact with the Locarno Treaty will naturally bring us to cast doubt on the real value of such pacts in safeguarding the collective security of Europe. This question has given rise to no end of dispute between France and Germany. The one has upheld and justified the pact with as much show of logic and legality as the other has suspected and scored it. The importance of this question has been recognized by the Locarno Powers. In the draft agreement reached by them in their London conference on March 18, 1936, it was decided, among other things, that an appeal be made to the Permanent Court of International Justice at the Hague for a decision with regard to the compatibility of the pact with the Locarno Treaty. Thus out of the German contention a test case will be made of the pact. If it be upheld as incompatible with the Locarno Treaty, then Germany may be partially justified for her action in the Rhineland, but Europe will be faced with a breakdown of the regional security such as France has planned. Should the pact be adjudged as incompatible, then no extenuation can be claimed for Germany, who will be considered as having committed a unilateral repudiation of treaties and be dealt with accordingly.

In order to enquire into the relation of the Franco-Soviet Pact with the Locarno Treaty, it is appropriate to trace back to the genesis of such pacts, of which the Locarno Treaty may be regarded as the forerunner. After the Great War had been ended with the Versailles Treaty, it was soon revealed that neither Germany could be forced to discharge her liabilities nor could France be satisfied with her own security. To meet the French claims for the left bank of the Rhine and permanent security against German invasion, Allied occupation for 15 years and demilitarization of the Rhineland were stipulated in the Versailles Treaty, together with the establishment of a collective security system as embodied in the Covenant of the League of Nations. But since then France has been persisting in her demand and scheme for more efficacious and expeditious ways to ensure her security and ward off aggression. It would be tedious to recall all the schemes of mutual assistance and guarantee that were offered her, and the long and short of them all is that they all fell through. Then it has been gradually borne in upon the Powers following the lead of Great Britain that the Covenant system must be supplemented and enforced with the negotiation of special arrangements among certain Powers. This is the origin of the so-called pacts; some of them are for mutual assistance and some for non-aggression. But their main object is to pledge certain nations most immediately concerned to a common determination to maintain the peace and settle with pacific means the disputes peculiar and incident to their own region. These pacts are not meant to be reversions to the pre-War alliance systems, reversions but should be formed in harmony with, and subordination to, the League Covenant. The first arrangement of this kind is the Locarno Treaty.

This treaty was concluded with the special object of ensuring peace in the area where Belgian neutrality had been abrogated and conflicts are most likely to happen, by giving to all the signatories supplementary guarantees stipulated in terms falling within the framework of the League Covenant and the treaties in force between them. Its object is two-fold: the perpetuating of the status quo as thrust upon Germany under the Versailles Treaty and the establishing for France and her neighboring nations of a regional system of guaranteed security. The latter has indeed a laudable aim, but the wisdom and expediency of the former is rather questionable. As provided in Art. I, "the contracting parties collectively and severally guarantee the maintenance of the territorial status quo resulting from the frontiers between Germany and Belgium and between Germany and France and the inviolability of the said frontiers as fixed by or in pursuance of the treaty of peace signed at Versailles on June 28, 1919, and also the observance of the stipulations of Arts. 42 or 43 of the said Treaty concerning the demilitarized zone." The regional security was ensured by Germany and Belgium and also Germany and France mutually undertaking that they will in no case attack or invade each other or resort to war against each other. They also pledge themselves to settle any dispute regarding their respective rights under the treaty or cases of violation of its terms through judicial decision, conciliation, and the League procedure under Art. XV of the Covenant. Above all, the conformity of the treaty with the Covenant is further indicated by the provision that all question of violation of the treaty must in the last resort be referred to the League Council, whose recommendations the parties shall comply with.

In order to decide the question as to whether the Franco-Soviet Pact is compatible with the Locarno Treaty, it is necessary to determine first whether the two treaties have objects in common. In other words, is the former also an instrument of supplementary guarantee?

According to its preamble, the Franco-Soviet Pact is intended to maintain the national security, the territorial integrity and political independence of the parties concerned by guaranteeing the application of the provisions of the League Covenant. It may be said on the surface of it that the pact is compatible with the League Covenant, being fitted into the latter's framework as a supplementary arrangement. Its vital terms are contained in Arts. I and II. The first provides that France and the Soviet Union agree, in the event of either being subject to threat or in danger of being attacked by another European State, to undertake mutually to proceed to an immediate consultation concerning measures to be adopted. But this is to be done only for assuring the adherence to the provisions of Art. X of the League Covenant. In the event of either of the parties, in spite of their own peaceful intentions, being attacked without provocation by another European State, it is stipulated in Art. II that each party agrees to come immediately to the assistance of the other.

The Germans have alleged that France under the pact has taken up toward Soviet Russia obligations far exceeding those warranted by the League Covenant and this may make her committed to the latter as if neither the Covenant nor the Locarno Treaty were operative. This charge is, legally speaking, without foundation in fact. It amounts to reading into the pact a contingency unwarranted by its explicit terms.

When the Obligation to Assist Arises

The mutual rendering by the parties of assistance to each other is clearly defined and limited within such scope as allowed by the League Covenant. The obligation of assistance shall arise only when either party is the object of an unprovoked aggression under the circumstances specified in Arts. XII, XIII, XV, par. 7, and XVII, pars. 1 and 3 of the Covenant. As further provided in Part I of the Protocol, both parties are under the obligation of coming to the assistance of each other "by immediately complying with the recommendations of the League Council as soon as they have been issued in accordance with Art. XVI of the Covenant." Both parties undertake to act in common in order to obtain that the Council shall issue its recommendations with all the speed required by the circumstances.

It is noteworthy how careful the negotiators of the pact were to formulate almost every one of its stipulations in conformation to the Covenant procedure. To ensure the compatibility of the pact with the Covenant, a comprehensive provision is further made in Art. IV, which affirms that nothing in the pact shall be interpreted as restricting the duty of the members of the League to take suitable measures efficiently to safeguard the peace of the world or as restricting the obligations laid upon the parties by the Covenant.

Thus an examination of the terms of the pact shows that it forms another separate arrangement in order to supplement and enforce the League system. It is meant by the parties to be part and parcel of the whole structure of collective security. Now, if the Locarno Treaty is compatible with the League Covenant, then by the simple reasoning of a mathematical axiom, it may be argued that the Franco-Soviet Pact can be nothing but compatible with the Locarno Treaty.

As a regional agreement, indeed, the pact may be far more efficacious and speedy for the purpose of checking impending aggression than the League system. What the pact intends especially to guard against are those emergency cases of aggression, which by their instant and overwhelming nature will allow no time for the League to investigate or interfere. For it has been only too clearly demonstrated that there are certain drawbacks in the Covenant which can render its working in some cases dilatory or helpless to stop or ward off aggression. Such an unhappy eventuality is taken care of by the pact, which definitely stipulates that should the League Council, for whatever reason, issue no recommendation or fail to arrive at a unanimous decision, "the obligation to render assistance will be thereby in no way impaired."

The Germans have further protested that in a dispute with Germany both France and Soviet Russia may be tempted by the overpowering influence of their alliance to make aggressive war against her by judging their own cause without regard to the details of the Covenant procedure. This charge may be refuted as a captious reasoning springing out of suspicion rather than being founded on fact. In the terms of the pact there can be found nothing which even intimates to us the intentions of the parties to wage an offensive war on Germany. On the contrary, one of the general conditions, the spirit of which pervades the whole pact, is that its provisions shall not be carried out in any way which, being inconsistent with the treaty obligations undertaken by one of the parties, might bring down international sanctions on the latter.

The mutual assistance obligation is subject to two conditions which prevent it from serving the purpose of aggression. Firstly, in coming to the assistance of the other, either of the parties must see to it that the former is an object of attack without provocation or aggression under the circumstances as specified in the Covenant. Secondly, the undertakings of assistance embodied in the pact refer only to cases of attack or aggression against the *territory* of one or the other of the parties. Of course, no obligation of assistance will arise in case one of the parties makes aggressive war on a third party by attacking it first, or cannot prove conclusively that it is forced to be on an urgently defensive war. That the parties harbor no ill-will of making aggression on Germany is further indicated in the affirmation contained in Part IV of the Protocol that the undertakings of the pact should be understood to come into play only within the limits contemplated in the tripartite agreement including Russia, France and Germany, as previously projected.

Furthermore, even in the rare cases of aggression where either of the parties, meeting extremely provoking circumstances or pursuing military advantages, may be led to attack first a third country, the latter may still count on the other League members or the Council for assistance or taking other measures to check the aggression. For it is recognized in Art. IV that "nothing in this treaty shall be interpreted as restricting the duty of the League members to take the proper measures efficiently to safeguard the peace of the world." It therefore follows that in any dispute the parties of the pact not only should place themselves under the obligations as laid upon them by the League Covenant, but they shall be also subject to the supervision and interference of the other members of the League Council who are duty-bound to preserve the peace.

A further check which may prevent the pact from lending itself to aggressive purposes lies in the fact that it does not contravene the obligations previously entered into by either of the parties. For Part II of the Protocol states that neither party has intention of invalidating by this pact any obligations undertaken by France or Russia in respect of third parties under treaties that have been published. This means that either party cannot claim the mutual aid pledge in any way which, being inconsistent with the obligations undertaken by the other party, for instance, under the Locarno and other regional pacts, would incur international sanctions against the latter party.

Lastly, it should not be forgotten that the pact is not meant to be just an isolated alliance. Its framers have the intention of joining other mutual assistance pacts or extending the obligations of the pact to other Powers. As Part III of the Protocol intimates, since the conclusion of a regional agreement might be liable to embody or be accomplished by additional pledges of mutual aid, so both parties of the Franco-Soviet Pact reserve the right, after mutual consent, to become parties, directly or indirectly, whichever may appear more suitable, to such further agreements. Then the multilateral obligations under these agreements are to take the place of those resulting from the Franco-Soviet Pact. What is more, Part IV of its Protocol further provides that the pact was intended to "complete a security agreement comprising all the countries of North-Eastern Europe—the U.S.S.R., Germany, Czecho-Slovakia, Poland, and the Baltic States bordering upon the U.S.S.R." Besides, a treaty of assistance was contemplated and was to have been concluded between Soviet Russia, France, and Germany, thus the Franco-Soviet Pact having already opened the way for Germany to join in the mutual assistance pledge.

Legally speaking, the foregoing may serve to show how the compatibility of the Franco-Soviet Pact with the Locarno Treaty might be maintained. But as Germany has protested, the question about the pact is not merely a judicial one; it carries a political significance which is overwhelming and whose solution would be beyond the chopping logic of a Court of Law. Unless those political questions which are behind the Franco-Soviet Pact can be thrashed out, the prospect of maintaining the collective peace of Europe is gloomy indeed.

Nanking, May 15, 1936.

Rev. Charles Leonard Makes Report on Inspection Trip in Eastern Manchuria

Rev. Charles Leonard of the Southern Baptist Mission, stationed at Harbin, after a tour of missions located at Mishan, Tungning, Suifenho, Lishuchen, and other points in the large area east of Harbin, reported that said area has suffered more than any other during these past few years from banditry. For three hundred miles it is mountainous, wild country, in much of which roving bands of robbers have held sway for many years. Following the change of government numerous trains were wrecked and looted; villages burned, homes destroyed; thousands killed; garrisons, groups and individuals kidnapped and tortured. At present, however, conditions are improving. As regards Lishuchen, Rev. Leonard states that this coal-mining town has its own railway line, over which many have come these past several years to push their way as settlers into the farthest steppes of northeast Manchuria. During past years two Russian Baptist families connected with the mines had assisted in raising funds for purchase of a place for Chinese and Russian evangelistic meetings at the coal-mine town. But as these Russians have left, one family migrating to Brazil with other Russian Protestant families, and the town proper, Lishuchen, having grown, it has been decided to move the meeting place into the heart of said town.

Who's Who in China

Gene L. Chiao, Government official; born at Chi Hsien, Shansi, 1896; studied at Oberlin-in-China at Taiku, Shansi, and graduated from the 8th class of the School; following graduation he became a teacher at the primary school affiliated with the institute; after some years of teaching, he was sent to the United States to pursue advanced studies and attended Oberlin College, Ohio, and Michigan University, from the latter he graduated with the M.A. Degree in 1926; upon his return to China, he was elected chairman of the Administrative Board of Oberlin-in-China, taking complete charge of the school and exerting his best to promote and encourage learning in Shansi; concurrently he served as chairman of the Board of Directors of the Paoching Mining Company, and as an expert attached to the Ministry of Industry, and advisor to the Headquarters of the Pacification Commissioner of Shansi; in 1933, he was appointed secretary to the Central Mint; in Dec. 1935, became Special Secretary of the Ministry of Finance; in January, 1936, appointed by order of the Ministry of Finance to be Director of Stamp, Wine and Tobacco Tax Bureau, which position he now holds; address: Stamp, Wine and Tobacco Tax Bureau for Kiansgu, Shanghai.

喬晉樑字輔三
Gene L. Chiao
(Chiao Chin-liang)

喬晉樑字輔三，年四十歲，山西省祁縣人，幼入山西太谷銘賢學校中學部第八班，畢業後卽在本校擔任附小教員，旋派赴美洲留學，民國十五年畢業於美國歐柏林及密西根大學，得碩士學位，歸國後被舉爲銘賢學校行政委員長，掌管校務，對學術思想，提倡獎勵不遺餘力，兼任山西保晉鐵務公司董事長，實業部專門委員，山西綏靖公署顧問，民國二十二年任中央造幣廠審查委員會秘書，二十四年十二月財政部派爲特務秘書，二十五年一月奉財政部令任職江蘇印花菸酒稅局局長。

Motor Accident's Sequel.

Australian Girl's Happy Experience.

Miss G. S. Rea, a young Australian lady residing at 33. Parramatta Road, Haberfield. N.S.W., was involved in a motor accident eight years ago which left her in a low, depressed condition. Relating the facts to a reporter recently Miss Rea said:—

"As a result of the accident I got sleepless, very irritable and had headaches and other pains. I lost appetite and always felt languid. Various treatments only relieved me for a time, and then all the misery would return again.

"My mother kept telling me to take Dr. Williams' Pink Pills, but, being doubtful of their efficacy for such a long standing case, I delayed doing so. Fortunately for me, my mother got me a bottle, and I was astonished with the results. Persevering with these pills I was soon relieved of the headaches and pains. Sleep is now sound and refreshing. The irritability and melancholy are things of the past. My appetite is good and I feel very fit. Dr. Williams' Pink Pills have done for me all that is claimed for them and I strongly recommend them to all sufferers."

Like Miss Rea, most people who try Dr. Williams' Pink Pills are astonished and delighted with the results. It is all because of their unique, rapidly tonic action through the blood on the nerves and whole system that Dr. Williams' Pink Pills restore health to debilitated, nervous, sick, sad men and women in the marvellous way they do. Try them yourself, you won't be disappointed. Chemists everywhere sell them.

In the United States Court for China

In re. LAST WILL AND TESTAMENT of WILLIAM ROBERT HAYES, Deceased.

Cause No. 4059
Special Proceedings No. 1937
NOTICE
Filed at Shanghai, China, May 4, 1936.
William T. Collins, Clerk

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of WILLIAM ROBERT HAYES, deceased, to present the same with vouchers to the undersigned on or before November 9, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Manley C. Jensen, Executor
Public Works Department,
Shanghai Municipal Council,
Shanghai.

Shanghai, China.
May 4, 1936.

In the United States Court for China

In re. ESTATE of FRANK LEWIS HOUGH, Deceased.

Cause No. 4066
Special Proceedings No. 1944
NOTICE
Filed at Shanghai, China, May 9, 1936
William T. Collins, Clerk.
L. T. Kenake, Asst. Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of FRANK LEWIS HOUGH, deceased, to present the same with vouchers to the undersigned on or before November 16, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

EDWIN O. HEUSER
Administrator
c/o National City Bank,
Shanghai, China.

Shanghai, China.
May 9th, 1936.

Men and Events

Dr. H. H. Kung, Minister of Finance, after a brief sightseeing visit to Hangchow returned to Nanking May 26.

The death occurred in London May 23 of Mrs. Jessie Giles, widow of Bertram Giles, of the British Consular Service in China.

Dr. K. S. Inui, expert attached to the Japanese Embassy, will succeed Dr. James Y. Sakamoto as head of the Shanghai Japanese Y.M.C.A.

Yang Peng, newly appointed President of the Third Branch Shanghai Special District Court in Shanghai, assumed his new post May 22.

Owen L. Dawson, agricultural commissioner for the U.S. Department of Agriculture at Shanghai, returned recently from a trip to Manila.

A. M. Webb, of The Chemical Construction Corporation, returned on May 8 after over two weeks' absence in South China on business.

J. E. Covington, President of Universal Leaf Tobacco Co. of China, Inc., sailed for the United States on April 21 on the s.s. *President Hoover*.

Harold S. Dunn, General Manager of Warner Bros.-First National Pictures (China) Inc., sailed for the United States on May 8 to be away for about four months.

Madame Sun Yat-sen, widow of the late Nationalist leader, who has been confined to a hospital suffering from an attack of pneumonia, is recovering and shortly will return to her home.

A campaign for funds towards the construction of a hospital for native medicine has been launched in Nanking by Yu Yu-jen, President of the Control Yuan, and Chiao I-tang, President of the Supreme Court.

A ban on the export of foodstuffs from Hsuchow was ordered May 23. Large quantities of foodstuffs were reported to have been shipped eastward from Hsuchow by way of Lienyun Harbor during the previous week.

Y. Suma, Japanese Consul-General at Nanking, proceeded to Japan this week, having been summoned by Mr. Arita, Japanese Foreign Minister, to make a report to the Tokyo Foreign Office on current affairs in China.

In a circular order to all subordinate organs, the Executive Yuan May 22 instructed that beginning from this summer, preference is to be given to native made electric fans over imported ones in all Government offices.

The China Physical Culture Society was formally inaugurated at Nanking, May 13, under the sponsorship of Dr. C. T. Wang, former Minister of Foreign Affairs, and Dr. Chang Po-ling, president of the Tientsin Nankai University.

Horace H. Smith, American Consul at Tsinan, delivered an address on "America's Good Neighbor Policy" before the Tsinan Rotary Club May 7. The text of the address was printed in the May 21 issue of the Tsinan Club's publication *Tsinan Analects*.

Stuart Allen, of the United States Consulate General at Tientsin has been assigned to Bangkok, Siam, where he will serve in the dual capacity of Secretary of American Legation and American Consul. Mr. Allen will depart from Tientsin some time in June.

Miss Anna Ginsbourg, upon an invitation from the Soochow University Law School in Shanghai, delivered a lecture on "Basic Principles of Soviet Criminal Law" to post graduates of the University on May 27.

A sentence of three months imprisonment each was imposed on May Yoong-so and Woo Kwen-yih in the First Special District Court in Shanghai May 29 for infringing the trade marks of the China General Edison Co., which operates an electric lamp factory in Robison Road.

Frank Hedges, correspondent in Japan for the *Washington Post* and *North-American Newspaper Alliance*, who has been visiting in Shanghai, has returned to Tokyo. Prior to coming to Shanghai, Mr. Hedges spent considerable time traveling in North China and Manchuria.

N. F. Allman, American lawyer, legal representative of the M.-G.-M. in China, returned last week from a trip to the United States. During a visit to Hollywood he saw the filming of "The Good Earth," which it is hoped will be ready for release in about three months.

The Soviet Ambassador and Madame Bogomoloff were the hosts at a dinner given in honor of Generals Chang Chun and Chiang Tso-pin, Ministers of Foreign Affairs and Interior, and Lo Chia-lun, President of the National Central University, and their wives at Nanking, May 21.

Japanese consular police in Shanghai last week asked the Bureau of Public Safety to provide better protection to Japanese residents of the northern extra-settlement area following investigations of an alleged assault (throwing a stone) by a Chinese child on a 9-year-old Japanese boy.

Lieut.-General Kanichiro Tashiro, former commander of the Eleventh Division, has taken over command of the Japanese Garrison at Tientsin, succeeding Lieut-General Hayao Tada, who, after ten months service in North China, proceeded this week to Japan, where he will take command of the Eleventh Division, stationed at Zentsuji, Shikoku.

A bill extending the jurisdiction of the U. S. Court for China over offences committed on the high seas, was approved May 19 by the Foreign Affairs Committee of the House of Representatives. The measure provides that, if offenders against the law on the high seas are found in or brought first into China, jurisdiction shall hold.

Declaring that the action of the Japanese military authorities in using the bricks of the Great Wall for the building of barracks is a violation of the International Law, as the Great Wall is the most important historical building of China, the Ministry of Foreign Affairs will lodge a protest with the Japanese authorities, the *Sin Wen Pao* of May 15 stated.

Detectives from the Louza Police Station in Shanghai, assisted by officers of the Police Special Branch, seized two tons of Communist literature printed in Chinese from a house off Wuhu road about 1 a.m. May 20. The seized literature was turned over to the First Special District Court for disposal. Three trips of a police van were necessary to transport the literature.

Boies C. Hart of New York City, Vice President of The National City Bank of New York and in charge of all offices in the Far East, arrived on April 21 and is expected to remain in Shanghai until the return of James A. Mackay, Assistant Vice President and manager of the local office of the bank, who left on May 3 on six months' vacation in the United States.

The new $400,000 show palace in Nanking, which will be known as the "State Theatre" to show exclusively first-class motion pictures, is now rapidly nearing completion and will be opened to public in the near future. The new theatre has a seating capacity of 1,800 and is modern throughout. It will also be the first air-conditioned theatre in the capital.

Richard Watts, Jr., drama and screen critic of the New York *Herald-Tribune*, who has been the guest of Victor Keen, correspondent of the *Herald-Tribune* in Shanghai, departed this week on a trip to the Upper Yangtsze, following which he plans to proceed to Peiping and other points in North China. He intends to return to New York on the *President Hoover*, sailing from Shanghai on June 16.

Si Rubenstein, arrested in Shanghai on his arrival with a forged passport several weeks ago, will be returned to the United States on the s.s. *President Taft* sailing from here June 6 for San Francisco. He is being returned to California on the request of the Governor Mirriam of said state. He is wanted on seven counts of conspiracy, five to violate the Corporate Securities act, and two of committing grand theft.

Consular and Legation representatives of Poland, Czechoslavakia, Portugal, and France appeared in the First Special Distict Court May 21 to give evidence on charges brought against Alexander Karachenko (Russian), Tze Zuh-yien alias Frank Kent, etc. (Cantonese mulatto), Vladimir A. Kelt (Russian) and Vasily Nicoliavitch Densoff (Russian), who are charged with forging passports and consular seals and stationery over a period of years.

The Ministry of Foreign Affairs this week received a report from the Chinese Embassy in Washington May 25 stating that a little American girl, 12 years of age, has donated her entire savings of five cents gold towards the fund being raised by the children of Kiangsu for the purchase of a Golden Sword for General Chiang Kai-shek. The American girl is a great admirer of General Chiang whom she regards as the "George Washington of China" and the man to drive out the enemy and protect China's freedom.

Miss Bossie Chin Lee, 16-year-old Chinese school girl, had her marriage to Frank Hong Lee, aged 24, annulled by a civil court in Chicago, May 19. The young husband testified that he was not aware that the girl was under age according to Illinois law. Both he and the girl said they were still in love. Attorneys for Hong Lee, who was liable to prosecution for marrying a minor, offered a simple plea, saying merely, "A soft wind bends the tree," and the judge thereupon suspended sentence.

The death occurred in Shanghai May 20 of Mrs. Augusta Heacock Cheek, wife of M. C. Cheek, retired Lieutenant-Commander of the U. S. Navy following an attack of pneumonia. A memorial service was held at the Cheek residence on Amherst Avenue by the Rt. Rev. John W. Nichols of St. John's University. The body was cremated. The deceased was born on Feb. 29, 1888, at Jackson, Michigan. Her father, H. E. Heacock, was formerly a well-known business man in the Far East.

Dr. P. Frank Price, a former professor at the Nanking Theological Seminary and for 46 years engaged in missionary work in China, was elected Moderator of the Presbyterian Church of the United States at Augusta, Georgia, May 22. His son, Rev. Frank W. Price, is at present a professor at the Nanking Theological Seminary. It may be recalled that a large bequest was made over a year ago to the Nanking Theological seminary from the Wendell estate in New York, but this bequest has not been made available owing to litigation started by members of the family.

The Shanghai Municipal Council will re-open the Municipal Investment Bank from June 1. The operation of this Bank was suspended in April 1929 following the sale of the Municipal Electricity Department when the large instalment payments representing the purchase price were sufficient to finance all necessary capital projects. Now the situation is changed. The funds will be used in Municipal enterprises. Until further notice, monthly deposits will be limited to $5,000 and the rate of interest allowed on deposits will be 4½% per annum.

Dr. Mary Stone, famous pioneer Chinese woman doctor, passed through Hongkong recently en route to Europe.

H. J. Timperley, correspondent for the *Manchester Guardian* delivered on address "A Peiping Experiment in Community Service" at the meeting of the Shanghai Rotary Club held May 28, in the Metropole Hotel at 12.30 p.m.

The Shanghai Art Club announced a final exhibition and lecture at the Studio, 453 Avenue Joffre on Friday, May 29, when a lecture was scheduled to be delivered by Dr. Y. S. Han of St. John's University on the "Philosophical Background of Chinese Painting."

Japanese Consular Police end of last week arrested in Shanghai a Korean named Kim on charges of subversive activities designed to disturb the peace and order of Korea. Kim is a graduate of the Nanking Military Academy and allegedly had taken part in numerous Korean independence activities.

The death occurred at the Country Hospital in Shanghai May 13 of Samuel Richards, chief cook of the U.S.S. *Parrot*. The remains will be sent to the United States for burial. The chief mourner was the widow who arrived from Chefoo a few days ago and will accompany the body to America.

Shigeru Kawagoe, new Japanese Ambassador to China, will sail for Shanghai from Kobe aboard the s.s. *Asama Maru* on June 20, the Gaimusho announced May 26. Akiyoshi Tajiro, secretary of the Foreign Office, is prominently mentioned as the successor of Mr. Kawagoe, the new Ambassador to China, as the head of the Tientsin Consulate-General.

General Chin Teh-chun, Mayor of Peiping, and Liu Cheh, member of the Hopei and Chahar Political Council, telegraphed to the National Government, May 21, declining to serve on the Board of Directors of the Palace Museum, to which they were appointed by the Executive Yuan last week. General Chin was recently appointed by the Hopei and Chahar Political Council as a supervisor of the Palace Museum.

Rear-Admiral Orrin G. Murfin, commander of the United States Asiatic Fleet, arrived in Yokohana aboard his flagship cruiser *Augusta*, on his first official call on the Japanese Government. It was announced last week that Admiral Murfin will, several months hence, exchange commands with Admiral Harry E. Yarnell, stationed at Pearl Harbor, Hawaii. Admiral Yarnell is due here about Oct. 1.

A tea party was given by Zung Tso-dzeuy, Commissioner of Customs, Nyien Ching-dzi, manager of the So Lun Cotton Factory, and Wang Sung-ching of the City Government at Soochow, May 16 to foreign friends, mostly missionaries leaving for America. Mr. and Mrs. Ralph White and Dr. and Mrs. W. B. Nance were among those so honored. Dr. and Mrs. Nance will spend three months in the United States; they will visit the Holy Land on the return trip. Mr. and Mrs. White will attend the twelfth World's Sunday School Convention, which will be held in Olso, Norway.

A Washington message May 20 stated that the Chinese Embassy is negotiating with the Export-Import Credit Bank on an agreement for the financing of trade activities between this country and China. The various American banks concerned are considering the proposals of supplying China with railway construction materials. Negotiations, it was understood, are exclusively in the hands of the Embassy, and, therefore, have no relation to the activities of the economic mission headed by K. P. Chen, which arranged for the purchase of Chinese silver by the United States.

The death occurred in Hongkong May 22 from heart failure of E. O. Drake, the South China manager of the British-American Tobacco Co. Mr. Drake was born in Richmond, Virginia, and was 53 years of age. He was associated with the British-American Tobacco Company for over 30 years. He left Shanghai last year to take up his residence in Hongkong after having been in this city for nearly three years. Mrs Drake, the widow, together with her son and doughter, received the news of Mr. Drake's death at Kobe while *enroute* to the United States after visiting Mr. Drake in Hongkong. They immediately returned to Hongkong to attend the funeral.

Japanese Students to Investigate Chinese Conditions in the Interior

The *Sin Wan Pao* May 26 stated that large numbers of students of the Japanese Tung Wen College will be sent beginning from June 1 to the interior to investigate the economic, political, and social conditions of China. It was noted that most of the Japanese who are carrying on intrigues in China are graduates of this Japanese school in Shanghai.

American Memorial Day—May 30

American Memorial Day will be celebrated May 30. The usual service will be held at the Bubbling Well Road Cemetery in Shanghai at 8.30 a.m., at which the American Company and American Troop of the S. V. C. will be represented. U. S. Consul General Gauss will act as master of ceremonies. Music will be furnished by the Fourth Regiment Marine Band.

In the United States Court for China

OLGA ALEXAVUNA ANALORA, Plaintiff, vs. SAM ANALORA, Defendant.	Cause No. 4065 Civil No. 1943 ORDER Filed at Shanghai, China, May 9, 1936. William T. Collins, Clerk. By L. T. Kenake, Asst. Clerk.

The object of this suit is to secure a decree of divorce.

WHEREAS plaintiff herein, on the 9th day of May, 1936, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 8th day of May, 1936, the Summons for defendant was returned by the United States Marshal for China, "Not to be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 8th day of May, 1936, OLGA ALEXAVUNA ANALORA, the Plaintiff herein, filed an affidavit to the effect that the defendant, SAM ANALORA, does not reside within the jurisdiction of this Court and that he has not been a resident of this jurisdiction within the past six months.

NOW, THEREFORE, it is, this 9th day of May, 1936, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the CHINA WEEKLY REVIEW, a paper of general circulation most likely to reach defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieh day, exclusive of Sundays and legal holidays, occurring after the 30th day of May, 1936, the last day of publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

MILTON J. HELMICK,
Judge.

FOR SALE

Subscriber, departing from Shanghai shortly, would like to dispose of back-issues of *The China Weekly Review*, almost complete for the years 1932, 1933 and 1934. Librarians or others interested, please communicate with Subscription Department,

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160 Ave. Edward VII, Shanghai.

CUSTOMS NOTIFICATION NO. 1515

The public is hereby notified that, in accordance with Government instructions, Article 3 (e) of the regulations governing the entry and clearance of vessels and the presentation of manifests and other ships' papers, which were appended to Notification No. 1384, has been amended and is to read as follows:—

ARTICLE 3, (e)

In the case of vessels from abroad, in addition to the particulars called for under paragraphs (a), (b), (c), and (d), the weight and/or measurement of each package* and the names of persons to whom packages are respectively consigned, in accordance with the bills of lading and/or parcel receipts issued therefor, except that, when merchandise is consigned to order, the manifest shall so state.

*Alternatively, copies of the freight lists for cargo loaded at foreign ports may be attached to the manifest, provided that these lists contain particulars of the weight and/or measurement of each package.

H. O. TONG,
Superintendent of Customs.

PAUL BARENTZEN,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 25th May, 1936.

CUSTOMS NOTIFICATION NO. 1516

The public is hereby notified that the following amendments of Rule I of the Import Tariff Provisional Rules and of the Definition of the Term "Wholesale Market Value" as used therein have been approved by the Government:

(1) Rule I of Import Tariff Provisional Rules:

§ 5. The first sentence has been changed to read—"The importer, if dissatisfied with the decision of the Customs as to the value or classification of imported goods, may, within 14 days from the date of issue by the Customs of the relative Duty Memo., file a protest in writing with the Commissioner of Customs, setting forth specifically his objection thereto."

§ 6. The last sentence has been changed to read—"The final finding of the majority of the Board, which must be ratified by the Kuan-Wu Shu, shall be binding."

(2) Definition of Term "Wholesale Market Value":

§ 4, (b), has been changed to read—"Such goods have a royalty imposed thereon, the royalty being uncertain, or being for other reasons not a reliable means of estimating the value; or".

H. O. TONG,
Superintendent of Customs.

PAUL BARENTZEN,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 26th May, 1936.

New Books of Interest in the Far East

Two Books in "China To-Day Series," by T'ang Leang-li

The New Social Order in China by T'ang Leang-li. "China To-day Series, No.6." Shanghai, China United Press, 1936. 282 pages, index. $8.50 Chinese currency, Gold $3.50.

China Facts and Fancies. Edited by T'ang Leang-li. "China To-day Series, No.7." Shanghai, China United Press, 1936. 296 pages, index. $7.50 Chinese currency. Gold $3.

T'ang Leang-li in his book "The New Social Order in China" gives an account of China's rebirth which according to its own profession,

> "outlines very broadly the development of the state from the days when Chinese civilization began to acquire those traits which have persisted for over three thousand years—sketches very roughly the long and complicated story of the impact of alien ideas upon Chinese thought and tradition, from the introduction of Buddhism to the collapse of Old China under the influence of Western moral and material pressure almost a century ago—and gives a brief summary of the tremendous changes in national outlook and ambition which followed the rise of the National-Revolutionary movement."

The book then closes with a brief view of the situation in the latter part of 1935, bringing events up through the First Plenary Session of the Fifth Central Executive Committee and of the Central Supervisory Committee of the Kuomintang.

The method of treatment indicates that the book has been written for the western reader who has had but little background of Chinese history or present day movements. All interpretive books on China intended for the western reader must stand comparison with the recent success of Lin Yu-tang "My Country and My People." This book of Mr. T'ang's cannot have the popular appeal of Dr. Lin's book, although it discusses many of the same subjects. A savor of propaganda about Mr. T'ang's book makes the reader wary of accepting his conclusions. Nor is there the facile touch which has helped to popularize Dr. Lin's book.

One can get from Mr. T'ang's book some idea of the great need for land reform and of the vast distance China has moved from the old Confucian ideal, when one reads that during 1930 the Kiangsu Provincial Bureau of Civil Affairs discovered that each of the 514 leading landlords in Kiangsu owned from 1,000 to 60,000 mow of land. This need for agrarian reform is emphasized in several places, and is shown to play an important part in the program of the government. Though the necessity for this agrarian reform is apparent, it is difficult to follow Mr. T'ang's argument that until the standard of living among the rural population greatly improves, there is little advantage for the State to concern itself with the problems of the few industrial workers, who number approximately five million. On the contrary, one might rather hold that legislation for a restricted number can be best pursued before industrial evils become firmly entrenched.

Mr. T'ang's interpretation of Sun Yat Sen's ideas leaves the reader sometimes in doubt as to which ideas are Dr. Sun's and which are Mr. T'ang's. To say, for example, that in the West "the working of human machinery, as expressed in political organization, has never been overhauled in the course of a century" is to ignore Soviet Russia, Fascist Italy and Nazi Germany. Also to speak of Russia's New Economic Policy in the present tense is to convey an incorrect idea. But Mr. T'ang writes in the spirit of Dr. Sun's dictum "To know is difficult, to do is easy," when he says in his chapter on Sino-Foreign Relations, "We have only to forget our pride, make a clear analysis of the task before us, and do our utmost for the modernization of the country."

The two chapters, Transvaluation of Values and the Blending of Civilizations are especially interesting in their brief resumes of the ideals and work of the great Chinese scholars who bridged the yawning gap between the old and new. Mr. T'ang also does well to show that the unique quality of Chinese history is the permanence of Chinese society and the persistence of the Chinese commonwealth. One of the best features of the book is its inclusion of the Chinese characters for proper names and quotations. It would be well if all serious books on Chinese institutions and culture would follow this custom.

The omission of the authors' names in the essays of China Facts and Fancies edited by Mr. T'ang is cause for much speculation. Material worth editing ordinarily deserves the inclusion of the author's name. Particularly is this true on subjects of controversy or in the personal essay where so much of the value is directly dependent upon the person whose opinion is being given. Is it literary license that Mr. T'ang has subscribed himself simply as editor?

The book is well named "Facts and Fancies" for the editor has taken no responsibility for distinguishing the "facts" from the "fancies." Is it fact or is it fancy that "it takes no longer to learn to write and read Chinese than to learn to read and write any other language—provided, that is, one starts young enough." Experience in a primary school that teaches both English and Chinese assures

the reviewer that even primary age will disprove the above assertion. Regarding the difficulties attendant upon the change to the solar calender in China, it is interesting to learn that "Far more fuss is being made by foreign observers and critics than by the Chinese themselves." In some essays strange fancies are made to pass for fact. One finds such in the essay "Some Mysteries of Maternity" where doubt is cast upon the paternity of Moses: "Regarding the mother of Moses, however, his (the writer's) information is scanty. All that can be gathered is that she was the daughter of an Egyptian monarch and explained that she found Moses in the bulrushes by the river while she was taking a morning dip." Let the unbiased reader determine whether this is an accurate interpretation of the second chapter of Exodus!

Most of the essays seem to have been written by a person, or by persons with an extremely unhappy turn of mind. The essays might pass as "pungent" comment in an editorial column of a daily newspaper, but their collective value is hardly such as to deserve this sizable volume. F.M.R.

A New Translation of Laotzu's Tao Teh-king

Laotzu's Tao and Wu-wei, a new translation, by Bhikshu Wai-tao and Dwight Goddard. Dwight Goddard, Santa Barbara, California, 1935. 149 pages.

One would need to be an accomplished Chinese scholar to criticize this translation of Laotzu's Tao-teh-king. Many commentaries have been written since the old philosopher produced it more than two thousand years ago.

The foreign author of this translation informs us that he loves Laotzu, that when he first translated the Tao-teh-king he was a Christian. Now he has become a Buddhist and wishes to present a new and more careful translation in the preparation of which he has had assistance from a Buddhist monk named Wai-tao. This man is a student and together the two authors have endeavored to make a translation which will serve to show the inner meaning of the obscure text to the inquiring mind of those unused to Oriental cryptic expression.

In the introduction to this new edition we find the following "The present translation is nearly double the length of the Chinese text, not because it is necessary to do so in order to bring out the meaning of the five thousand ideographs which make up the text. Even when Chinese classical texts are transliterated into the colloquial the text is extended fifty per cent and Laotzu's text is exceptionally condensed until it is almost cryptic in places. The translator had the use of a number of Taoist commentaries and was able to consult with a number of living Taoist masters. There are hundreds of these commentaries extant and many of them, in fact most of them, are exceedingly cryptic owing to the Taoist habit of expressing their teachings in secret symbols. The commentary which Wai-tao most consulted was a famous one entitled: Tao-teh-king-ching-chu-chieh. It is based upon the 'divine elucidation' given to two great masters through the planchette."

As an example of the condensed style of Laotzu we quote Chapter Four from the translation by Wu Wu-tze, following it by the same chapter in Goddard's translation. The Chinese text contains twenty-one characters. Wu Wu-tze translates them as follows:—

> "The movement of the Tao returns (to the source), but its functions is weakness.
> All things in the world come from existence, and existence from non-existence."

Goddard's text is considerably longer. "Tao is invisible but permeates everywhere; no matter how one uses it or how much, it is never exhausted. It is wise for us to imitate its profoundness; that is, to keep ourselves in quiet confidence as being the unfailing source of all things. We should hide our wits and competencies; we should free ourselves from worldly entanglements; keept ourselves always in humility and courtesy; becoming ever more socialized and personally disinterested. Should we attain all of these conditions, we would become as still and as transparent as the pure water of a spring. Then we would not recognize any spiritual forefather because no one would be worthy to be our ancestor except the perfect Father, the Great Tao."

This parallel will suffice to show the expansion and enlargement in the new translation. It must be left to scholars to determine whether this expansion is wise, necessary or accurate.

The slender volume contains, besides the Tao-teh-king, three interpretative essays on Taoism by Henri Borel, translated from the French by M. E. Reynolds. The titles of these are Tao, Art and Love. The book concludes with two short essays from Dr. Kiang Kang-hu on the Beginnings of Taoist Philosophy, and Taoist Religion. G.B.S.

Work Proceeds on Chinese Year Book 1936-1937

The Chinese Year Book for 1936-7, compiled and edited entirely by Chinese, is expected to be off the press towards the end of this year. C. S. Kwei has resigned from the editorship; Chao-ying Shih, head of the Department of Political Science of the National Wuhan University and director of research of the Council of International Affairs, succeeds him. The Commercial Press reports a very brisk demand from all its agents for the first issue.

New English Publications

THE ART OF LAW AND OTHER ESSAYS JURIDICAL AND LITERARY

By John C. H. Wu. Price, $3.00

This is a companion volume to the "Juridical Essays and Studies" by the same author published some eight years ago. While most of the fifteen essays collected herein are juridical in nature, their lucidity in exposition and vividness in description appeal not only to students of law but to lovers of good literature as well.

The article entitled "The Mind of Mr. Justice Holmes," being a profound and learned study of the great American jurist, has been highly approved of by his eminent contemporaries.

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The English translation is set side by side with the Chinese original for comparison, and an English index is appended to facilitate reference.

THE CODE OF CRIMINAL PROCEDURE OF THE REPUBLIC OF CHINA

Translated and Annotated by the Legal Department of the Shanghai Municipal Council
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This is an English translation of the Chinese Code of Criminal Procedure together with the law governing its enforcement. The English translation and the Chinese original are set side by side to facilitate comparison. At the back of the book are appended Court Agreement with its relative documents, and memorandum pointing out the differences between the procedures in ordinary Chinese courts and those in the Chinese Courts in the Settlement and their installation.

FACTORY SAFETY AND HEALTH INSPECTION REGULATIONS

Chinese Text with English Translation
Translated By P. Y. Koo. Price, $0.25

This is a copy of the Chinese text with English translation of the new Factory Safety and Health Inspection Regulations promulgated by the Ministry of Industries, Nanking. A very useful reference book for factory managements.

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Council of International Affairs Publishes Brochure on Smuggling

The Council of International Affairs at Nanking has issued a 36-page brochure entitled "Smuggling in North China." It contains official figures on smuggling and a general resume of the situation. The concluding paragraph mentions that "China has proved her sincerity in attempting to maintain friendly relations with all countries. Whatever that is within her power to do which will contribute to the improvement of such relations, she is more than willing to do. That this is the fact, China has amply demonstrated through both words and deeds. Still, there are certain situations wherein sincerity on the part of China alone will not solve the problem or save the situation. Such is the case with regard to smuggling in north China now. If that problem is to be solved at all, the responsibility for its solution lies largely, if not entirely, with Japan."

U.S. Socialists Again Name Norman Thomas for President

Norman Thomas, former minister of the gospel and now leader of the left-wing faction of the Socialist Party, was, at Cleveland, May 25, nominated for the American presidency for the third time.

Dr. Townsend Walks Out of Congressional Committee Meeting—Is Declared in Contempt

Dr. Frederick E. Townsend, author of the G$200 a month old-age pension plan, May 21 walked out of the hearing being conducted by the House of Representatives Committee in Washington. When the Committee announced that he was in "patent contempt," Dr. Townsend asserted that he would rot in prison before submitting to further questioning by the Committee. A long account of the investigations being made by the Congressional Committee was given in the *Washington Post* of April 5 by Laura Vitray. Grave economic fallacies, it was stated, underlay the doctor's plan for pensions to all over 60.

California Hangs British Prisoner Despite Appeals of Foreign Secretary

Despite several appeals by the British Foreign Secretary, Anthony Eden, to save his life, Alexander MacKay, a Briton sentenced to death for participating in an attempt to kidnap the warden of a prison where he had been lodged for robbery, was hanged in San Francisco, May 22.

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8.25 *arr.*	Wenchow	*dep.*	13.05
8.45 *dep.*	Wenchow	*arr.*	12.45
10.05 *arr.*	Foochow	*dep.*	11.25
10.25 *dep.*	Foochow	*arr.*	11.05
11.35 *arr.*	Amoy	*dep.*	9.55
11.55 *dep.*	Amoy	*arr.*	9.35
12.55 *arr.*	Swatow	*dep.*	8.35
13.15 *dep.*	Swatow	*arr.*	8.15
15.00 *arr.*	Canton	*dep.*	6.30

S. Bound on every Tue. and Thur.—N. Bound on every Thur. and Sun.

CHINA NATIONAL AVIATION CORPORATION

EURASIA AVIATION CORPORATION

TIME TABLE

(Effective from April 1, 1936).

SHANGHAI-YUNNANFU (KUNMING) LINE

West Bound						*East Bound*
Every	6.30	Dep.	Shanghai	Arr.	18.15	Every
Tues.	7.45	Arr.	Nanking	Dep.	17.00	Thurs.
&	10.40	Arr.	Chengchow	Dep.	14.10	&
Fri.	13.20	Arr.	Sian	Dep.	11.50	Sun.
	16.00	Arr.	Lanchow	Dep.	8.00	
	17.00	Arr.	Chengtu	Dep.	8.00	
Every						Every
Wedns.	8.00	Dep.	Chengtu	Arr.	16.30	Wedns.
&						&
Sat.	11.30	Arr.	Yunnanfu (Kunming)	Dep.	13.00	Sat.

PEIPING - CHENGCHOW LINE

South Bound						*North Bound*
Every						Every
Tues.	7.00	Dep.	Peiping	Arr.	17.30	Thurs.
&						&
Fri.	10.30	Arr.	Chengchow	Dep.	14.00	Sun

LANCHOW - PAOTOW LINE

North Bound						*South Bound*
Every	8.00	Dep.	Lanchow	Arr.	17.20	Every
Wedns.	10.20	Dep.	Ninshia	Dep.	15.20	Wedns.
	12.20	Arr.	Paotow	Dep.	13.00	

NOTES: 1. This time table is effective on and after 1st. April, 1936 and is subject to change without notice.
2. Special flights to other places can be arranged by special agreement.

Latest New York Stock Exchange Quotations

May 27, 1936

Stock Exchange— Business Done:-

Total Volume: 1,140,000 Shares

1935-36 High	1935-36 Low	Div. $ per sh.	STOCKS	Last Sale May 25	Last Sale May 26
13⅞	4¼	0.10	Adams Express	11	11⅛
149⅝	110	4.00	American Can	129¼	129¼
40¾	20¼	0.60	Amer. Cyanamid "B"	35¾	35¼
9⅝	2	—	American & For. Power	7¼	7⅝
43	14	—	American & Foreign Pwr. $7 pfd.	34½	34½
27⅝	10½	—	American Radiator	19½	19⅞
178	98⅞	9.00	American Tel. & Tel.	162¼	165½
107	74¾	5.00	American Tobacco "B"	92¼	92¾
25¼	7½	—	American Waterworks	21⅞	22¾
39¾	8	0.25	Anaconda Copper	34	34¼
86⅝	35¾	2.00	Atchison, T. & S. Fe	70¾	72¾
54¼	15	—	Auburn	29½	30¼
24¼	7½	—	Baltimore & Ohio	17⅞	18⅝
63⅜	21⅝	—	Bethlehem Steel	52	52⅜
26½	6¼	—	Boeing Airplane Co.,	19⅝	19¾
16	8⅝	—	Canadian Pacific Railway	12	12⅝
172¾	45¾	—	Case, J. I.	157¼	161½
47⅞	20¼	1.40	Chase National Bank	37	38⅛
74½	35	3.00	Chesapeake Corp.	64¾	64¾
61	37½	2.80	Chesapeake & Ohio	57	57¼
103⅞	31	4.00	Chrysler	95¾	97½
21⅝	3⅝	6.00	Columbia Gas & Electric	18¾	19⅝
24⅝	16½	2.00	Coml. Solvents	17¼	16⅝
5½	0⅝	—	Commonwealth & Southern (ord.)	2⅞	3⅛
38⅝	15¾	1.00	Consolidated Edison	31⅝	32⅞
15¼	6½	0.25	Consolidated Oil	11⅝	12
38¾	15⅛	.87½	Continental Oil	29¾	30⅛
78½	60	3.00	Corn Products	77¼	78¼
75⅜	17½	0.75	Douglas Aircraft	57	58
153	86⅝	3.60	Du Pont de Nemours	144½	143¼
25½	3½	—	Electric Bond & Share	19⅝	20¼
41⅞	20½	1.00	General Electric	36¾	37¾
39⅝	30	1.80	General Foods	38⅝	38¾
71	26⅝	2.00	General Motors	62¼	63½
50	15⅝	1.00	General Railway Signal	38	38
22	14⅜	1.20	Gold Dust	15⅜	16⅛
31⅞	15¾	—	Goodyear Tire & Rubber	25¼	25
76½	44	1.00	Humble Oil	60	59
54¼	22¼	1.00	Internation Nickel	46⅞	47
19¼	5⅝	—	International Tel. & Tel.	14	14¼
41⅝	13¾	1.00	Kennecott	37⅞	38
55⅛	31¼	2.00	Loew's Inc.	48¼	47¾
26½	18½	1.20	Lorillard	22	22¼
103	55	1.00	Monsanto Chemical	82	82½
45	21¾	0.20	Montgomery Ward	43	43⅜
41⅞	18½	1.00	National City Bank	33	34
25¼	12⅝	1.20	National Dairy Prods.	23½	23¾
34½	23¼	2.00	National Distillers	29½	29⅜
14⅞	4⅞	0.60	National Power & Lt.	10⅞	10⅝
42¼	12¼	0.10	New York Central	34⅞	36⅜
32½	9	1.00	North American	25½	26⅜
39⅝	13½	1.50	Pacific Gas & Electric	35	36
56⅞	19	2.40	Pacific Lighting	49	50
13	3¼	0.10	Packard Motors	10¼	10⅝
39	17¼	1.00	Pennsylvania Railroad	29⅞	30½
49¾	13⅝	1.00	Phillips Petroleum	41	40⅝
48⅜	20⅝	2.40	Public Serv. of N. J.	43½	44⅝
14¼	4	—	Radio Corporation of Amer.	11⅛	11⅛
58⅝	43¼	3.00	Reynolds Tobacco "B"	53¾	53⅝
56¼	22	—	Schenley	43⅜	43⅜
72	31	2.00	Sears Roebuck	72	72⅝
17	10⅝	0.40	Socony-Vacuum	12½	12⅝
28¾	10⅝	1.50	Southern California Edison	26	26¼
38⅞	12⅜	—	Southern Pacific	32	33⅛
19⅛	12½	0.80	Standard Brands	15⅛	15½
9⅞	1¼	—	Standard Gas & Electric	6⅞	7⅛
70	35¾	1.00	Standard Oil Co. of N. J.	59¼	59½
71¾	58⅝	3.80	Sterling Products	68¼	68½
38¾	28⅝	2.00	Texas Gulf Sulphur	35⅞	36
14⅝	4⅞	0.30	Transamerica	12⅝	12⅝
88⅜	44	2.00	Union Carbide & Carbon	82¾	84
138¼	82½	6.00	Union Pacific	124	126⅞
32⅜	9⅞	—	United Aircraft (New)	22½	22½
21	4½	—	United Airline Trans.	16½	16¼
9¼	1½	—	United Corporation	6⅛	6½
19½	9¼	1.00	United Gas Improvement	15⅜	15⅝
59	35⅛	2.00	U.S. Indus. Alcohol	38⅝	38¼
35	9¼	—	U. S Rubber	30	30½
72⅝	27½	—	U. S. Steel	59	60¾
27¼	11¼	—	Vanadium	18¾	18⅝
14⅝	2¼	—	Warner Bros. Pictures	9¾	9⅝
122⅞	32⅝	1.75	Westinghouse Electric	114¼	117⅛

Call Money: 1 %

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